JAN 19 1939 LIBRARY


# NORTH-CHINA HERALD

AND SUPREME COURT AND CONSULAR GAZETTE

Registered at the P.O. under Class B. — Weekly Edition of the "North-China Daily News" — (Tsz-ling-sing-chi-chow-kan 字林星期週刊)

Vol. CCIX. No. 3724. — SHANGHAI, WEDNESDAY, DECEMBER 21, 1938. — CHINESE $18 PER ANNUM, $0.40 PER COPY


## CONTENTS


Births, Marriages and Deaths .. .. .. 485
News from the Daily News Advts. .. .. 487
Editorial Notes—
Booms and Barriers .. .. .. .. 481
The Fateful Day .. .. .. .. .. 481
New Fishing Aid .. .. .. .. .. 481
A Quaint Suggestion .. .. .. .. 481
Christmas Near .. .. .. .. .. 481
Chinese Politics—
Generalissimo's Declaration .. .. .. 482
Open Door Bound with Integrity .. .. 482
Export of Chinese Goods Encouraged .. 482
Circuit Judges for Occupied Areas .. 482
"Provisional Govt's" Finances Sound .. 482
Fuehrer Receives China's Envoy .. .. 482
Leading Articles—
"Bread" .. .. .. .. .. .. 485
A Statesman's Speech .. .. .. .. 485
Protecting the Gull .. .. .. .. 485
M. Bonnet's Speech .. .. .. .. 486
Help for China .. .. .. .. .. 486
Suez Canal Dues .. .. .. .. 486
Shanghai Notes—
Good Work Recognized .. .. .. 487
The Late Mr. Browett .. .. .. .. 487
Career Cut Short .. .. .. .. 487
Shanghai Slandered .. .. .. .. 487
China Coaster's Tide Book .. .. .. 487
News from the Interior—
Optimistic Chinese Outlook .. .. .. 488
Japanese Clean Up Guerillas .. .. 488
Japanese General Issues Defiance .. 488
Port of Ningpo is Closed Again .. .. 489
Nanking Celebrates Its Capture .. .. 489
Travellers' Funds Limited .. .. .. 489
Match Sales Controlled in North China .. 489
Tientsin Foreigners Worried .. .. 490
Foreign Warships Sail from Hankow .. 490
Women Hold China Future in Hand .. 491
News from Japan—
Foreign Loans "Ill-Advised" .. .. 491
Yangtze to Remain Closed .. .. .. 492
Soviet Plan Would Penalize Japan .. 492
Soviet Troops Mass on Border .. .. 492
Japan Will Adhere to Plans .. .. 493
Shanghai Would Be a Good Hostage .. 493
Development Board Formed .. .. 493
More Soviet Munitions Coming to China 493
Shanghai News—
Brenan Piece Barricaded .. .. .. 494
British Universities' Society Affair .. 494
Export Tariffs in Shanghai .. .. .. 494
Efforts to Break Ban on Rice .. .. 494
Curfew Waived for Holidays .. .. 494
Reform of S.M.P. Canvassed .. .. 494
Japanese Boy Scouts to Resume Activities 494
Japanese Open Drive on Pootung Guerillas 495
Birthday Honours Presented .. .. 495
Mr. Tani Depart for Tokyo .. .. .. 495
Reconstruction in the Interior .. .. 495
End of H.M.S. Bee .. .. .. .. 496
President Liners to Call Here .. .. 496
Shanghai Architecture Interests Japanese 496
Seward Road Bridge to Be Opened .. 496
Seaforths Entertained at Union Church 496
Kuling Evacuees Arrive .. .. .. 497
Telegrams to South China Begin .. .. 497
Passes to Japanese Areas Limited .. 497
Daughters of American Revolution .. 497
Youthful Stowaways Back in Shanghai 497
Building Activity Increase .. .. .. 498
Municipal Orchestra .. .. .. .. 498
In the Russian Colony .. .. .. .. 498
Full $1.50 Payment to P.M.A.A. Soon .. 499
New Graves for Taiping Heroes .. .. 499
Maj.-Gen. Telfer-Smollett Promoted .. 499
East Surrey Offers at Zero Club .. .. 499
Obituaries .. .. .. .. .. .. 500
Weddings .. .. .. .. .. .. 501
Smallpox on Increase in Shanghai .. 501
Personal Notes .. .. .. .. .. 501
Commerce and Finance—
Money and Exchange .. .. .. .. 504
Company Meetings—
Metropolitan Land Co. .. .. .. 504
Samagaga Rubber Co. .. .. .. .. 504
Rubber Trust Ltd. .. .. .. .. 505
Letters to the Editor .. .. .. .. 506
S.M.C. Gazette .. .. .. .. .. 507
Sports and Pastimes .. .. .. .. 508
Shanghai Law Reports—
*H.M. Supreme Court*—
Mrs. A. Y. Perry *v.* Herbert Perry .. 510
Kurt Steiner *v.* I. F. Fearon .. .. 510
*H.M. Coroner's Court*—
Inquest on Solomon Hyeem Levy .. 510
Inquest on Miss Jean McLean Martin .. 510
*U.S. Court for China*—
A. A. Vinskovroff *v.* Amer. Trading Co. 510
Stuckgold *v.* Stuckgold .. .. .. 511
*First Special District Court*—
Forger Sentenced .. .. .. .. 511
Sergeant Charged with Extortion .. 511
Commission Claimed .. .. .. .. 511
Forged Certificates .. .. .. .. 511
Marriage Tangle .. .. .. .. 511
*Second High Court*—
Terrorist's Sentence Reduced .. .. 511
Foreign Telegrams—
Reprisals Against Japan .. .. .. 512
Britain's Peace Efforts to Continue .. 512
British, U.S. Credits for China .. .. 513
Britain's Navy to Be Unrivalled .. .. 513
Brompton Oratory Wedding .. .. .. 513
Italy's Pledge Covers Tunis .. .. .. 514
Paris Press Warns Fascist Italy .. .. 514
New German Coup Prepared .. .. .. 514
Soviets Adamant on Fishery Dispute .. 514
British Empire's New Power .. .. .. 515
Sea Power, Britain's Strength .. .. 515
U.S. Drug Firm Scandal .. .. .. 516
World Missionary Council Opens .. .. 516
Trade Agreement with Germany .. .. 517
Special Articles—
French Missions .. .. .. .. .. 518
Country Diary .. .. .. .. .. 518
In Parenthesis .. .. .. .. .. 518
Japan-China Economic Bloc .. .. .. 519
From the Four Winds—
Pacific Mandated Islands .. .. .. 519
Book Page .. .. .. .. .. .. 520
Sixty Years Ago .. .. .. .. .. 520
Woman's Page .. .. .. .. .. 523
London Cross-Word Puzzles .. .. .. 524
Shipping News .. .. .. .. .. 524

BY SAPAJOU

**War and Peace Strategists**

## Booms and Barriers

Mr. R. A. Butler, Under-Secretary of State for Foreign Affairs, diplomatically evaded a direct answer to a question regarding the Kiangyin boom asked in the House of Commons on December 15. He was asked whether the British Government proposed to direct the Navy to remove the boom across the Yangtze at Kiangyin. Mr. Butler replied that the Japanese Government claimed the boom was opened only sufficiently to provide for the passage of Japanese warships and transports and that the difficulties of the position were under review. Of course, it is unnecessary to point out that it is possible to remove the Kiangyin boom but naturally it would be unwise for any Government to attempt to do it without the approval of the Japanese Government. The booms erected by the Chinese across different waterways in this country have been conveniently maintained as physical obstacles to the legitimate demands of Foreign Powers for the opening of these waterways to ordinary commercial navigation but it should not be presumed that they constitute insuperable obstacles. Kiangyin has been opened sufficiently wide for large Japanese vessels, including warships and steamers, and it is understood will be able to pass a fleet of ten commercial ships which the new Japanese mercantile enterprise proposes to use to inaugurate their Yangtze service next month. It is no secret that if any extraordinary difficulty in removing this boom is experienced by the Japanese in view of naval and military preoccupations elsewhere the Foriegn Powers are perfectly willing to take over the job and free the Yangtze from this impediment to navigation. But like the boom across the Whangpoo off Nantao, the Japanese do not consider it expedient to remove it but rather permit it to remain as a convenient geographical boundary. The only work undertaken on the Nantao boom has been with the idea of salvaging for future use the Japanese steamers seized by the Chinese and sunk there, but, as this has not yielded much, the boom remains. Were it within Japanese intention to open these waterways the booms would represent interesting destruction jobs in which other Powers would gladly co-operate.

## The Fateful Day

On Dec. 20 it will be known whether the Soviet and Japanese governments have been able to solve the deadlock which has arisen in connection with the extension of the lease of Russian fisheries to Japan, or whether a *modus vivendi* has been reached to tide over the period necessary for the perfecting of a new agreement. Owing to the very firm attitude which Moscow adopted at the time of the Changkufeng incident, and has maintained ever since, an entirely new light has been thrown over Russo-Japanese relations, and the Japanese representatives are finding it increasingly difficult to persuade the Russian government to accept their view of the burning fishery question. M. Litvinoff, who has during this year dealt firmly with the Japanese and their various demands, is adamant in his insistance upon the whole of outstanding Russo-Japanese questions being included in a consideration of the renewal of the fisheries agreement. That is opposed by Tokyo which wants to negotiate each problem separately in the hope of obtaining further concessions which would probably not be forthcoming were a general settlement to be negotiated. Of the naivete of the Japanese contention, note has already been taken, for while Tokyo insists upon the application of the provision in the Treaty of Portsmouth to the question of the fisheries, it denies the application of other provisions applying to points upon which Soviet Russia also desires adjustment. On the whole the Russian contention seems to be the most satisfactory. It is at least consistent in its contention that if changing conditions make one set of provisions no longer operative they also vitiate the rest of the Treaty. This doctrine of changing conditions may serve the purposes of the political casuist without convincing even him, and it is more than probable that Tokyo is dealing with Moscow with its tongue in its cheek. It is unlikely that, if these negotiations fail in the ultimate result and there is no fishery agreement between the two nations, Japan will cease to fish in the waters she has rented before, but will depend upon naval means for the protection of her fishing fleets. That this will further imperil the peace of the Far East is only too apparent, for no nation worthy of its salt would tolerate such an indignity, though the probability appears to be that, unless some arrangement is arrived at, next year will see the development of a series of incidents which may serve to centre interest upon this portion of the world without actually leading to that warfare which it is in the interests of Japan at the moment carefully to avoid.

## New Fishing Aid

A great source of expense and delay to the fishing companies that operate the herring-drifters in the North Sea is the necessity for protracted steaming about in search of shoals of fish. Fishing-boats operating off the Shetland Islands alone number about 300, and it is estimated that a total of some £90,000 is spent during the season by these boats in reconnoitring the fishing-grounds. Experiments have recently been made by two members of a fishing company in order to apply the principles of aerial observation to the discovery of herring-shoals, and their efforts have been so successful that the British Herring Industry Board is considering the possibility of subsidising further tests. It appears that the observers must not only be able pilots but also experienced in practical herring fishing, and with the latter qualification it is possible to pick out not only the shoals of herring breaking the surface of the sea, but also shoals swimming below the surface. The large catches obtained by aircraft-directed boats are astonishing. Two boats thus operated got catches of 87 and 75 crans respectively (a cran is equivalent to 750 fish). A third boat in the same area, relying on her normal look-out, only obtained 30 crans. Another aircraft-directed vessel got 140 crans, while her unassisted companion-ship only got 15 crans. Although the manager of one fishing company has claimed that aerial observation has brought thousands of pounds to his fleet, it does not follow that such satisfactory results can be obtained in all regions and under all conditions, and the Board concludes that the success of these particular experiments must largely be attributed to the practical fishing experience of the observers. If this new departure is to result in the catching of more fish and even glutting the market on occasion to a greater extent than formerly, it is obvious that without proper supervision and control aeroplane spotting may prove rather a disadvantage than an advantage.

## A Quaint Suggestion

A valued correspondent with an undoubted sense of humour refers to the current rumours on the question of retaliation being resorted to by the various nations, and suggests that after all, without going to the lengths of more formal means of impressing upon the Japanese the error of their ways, adoption of the tactics they employ in Tsingtao might serve all purposes. Thus, he suggests, Japanese vessels in ports of those countries might be denied wharfage accommodation, passengers arriving by Japanese steamers might, as those arriving by foreign vessels in Tsingtao, be forced to have their baggage thoroughly examined on a vacant lot, instead of in the comparative comfort of the Customs sheds, their disembarkation might very inconveniently be held up for five or six unnecessary hours, obstacles could be put in the way of discharging cargo, while it could even be dumped on the beach and left there for the consignee to take delivery. It would not be necessary to go to the lengths of inventing tortuous methods of dealing with documents and all that sort of thing, but on reflection it really does seem that one of the most effective means of impressing upon the Japanese the necessity for stopping this discrimination in Tsingtao would be the application of similar practices elsewhere against the Japanese themselves. Indeed the history of the past few months of Japanese behaviour in Tsingtao could be classed as completely Gilbertian, and it would seem to be wholly fitting if in this matter a foreign Roland could be returned for the Japanese Oliver. It would require no weighty official announcements, or legislation to put such a procedure into practice, and if protests were registered the classical reply which is given with unvarying monotony need only to be slightly changed to one of "unmilitary necessity," to make the position quite clear, together with an assurance that Japanese interests were not being intentionally interfered with. There are other strangely comic features about the situation in Tsingtao, not the least of which concerns the currency question. Officially national Chinese dollar notes are or shortly will be placed at a 60 per cent. discount as compared with the notes of the Federal Reserve Bank, whereas in the open market they are actually at a substantial premium.

## Christmas Near

With the approach of Christmas there will be many people expressing the common wish that there will be snow and ice and that it will be a "white Christmas" in keeping with tradition. This sentiment accords with the views of Charles Dickens, who has been accused of inventing Christmas, and of the Christmas card manufacturers, whose efforts deprived of snow and other effects would be poor and discouraging. In Europe the wish is being realized. From England to Bulgaria the continent is in the grip of a bitter winter with Germany recording the lowest December temperature in 80 years and complaining that it is so cold that there is interference with Christmas shopping. London is shivering under icy blasts and snowfalls and the passengers on one Channel steamer had to make three crossings before landing on *terra firma* was possible. In Shanghai, the temperature is dropping and both in appearance and meteorologically it looked as if snow were possible yesterday after two or three days of cold and miserable drizzle. All indications point to a fulfilment of the wish and that Christmas will fulfil time-honoured expectations. But while warming oneself before the crackling yule logs, the coal fire or the modern equivalent, the radiator or power heater, it would be charitable to think that the beautiful trappings in which Christmas appears to those who are well-fed and comfortable brings cold and suffering to those who are not, and celebrations of this Christian festival, with its attributes of fellowship and generosity, will not overlook the needs of others. China, like many other countries in the world, is ending the year in suffering and with millions of people homeless and hungry. The duty of the Christian is plain and needs no exposition. Give to your families and friends to demonstrate love and friendship, but also give to others whose only knowledge and belief is that humanity is not as cruel as events of the past year would indicate.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## CHINESE POLITICS

# Generalissimo's Declaration

### No Surrender to Japan ; Second Phase of War Just Starting

Chungking, Dec. 13.

The "Ta Kung Pao" this morning published an exclusive report to the effect that the Chinese highest commands reviewed the military situation at a meeting yesterday, following which, it was stated, the Generalissimo expressed complete optimism as regards the future military situation.

The Generalissimo is said to have declared:—

"Japan, as a first class Power, after 18 months of hostilities, using her entire army, naval and air forces, has only succeeded in capturing a few points along the communication lines.

"Although Nanchang and Changsha are vital points from the standpoint of military strategy, the Japanese have failed to capture these cities after the fall of Hankow and Canton."

The Japanese, General Chiang is reported to have stated, have been operating on the level plains to the east of the Peiping-Hankow Railway.

"After this," he is said to have stated, "they will have to engage the Chinese troops in the mountainous areas.

"It is a mistake to classify the fall of Nanking as marking the conclusion of the first period in the Sino-Japanese hostilities, the fall of Hsuchowfu as the end of the second, and the fall of Hankow as the conclusion of the third.

"We may properly say that the present moment marks the conclusion of the first period in the hostilities, whereas the second period is only just beginning."—Reuter.

#### No Surrender

Chungking, Dec. 16.

Emphasizing that the military and political aspects of the hostilities between China and Japan were of equal importance, General Chen Chen, Minister of Political Affairs at the headquarters of General Chiang Kai-shek, and concurrently Commander-in-Chief of the Chinese forces on the south bank of the Yangtze River, today announced the formation of political departments in the various Chinese army units at the front.

Members of the Central Executive Committee of the Kuomintang, he stated, would act as heads of the departments.

General Chen pointed out that the anti-north expedition of the Kuomintang, in 1927, owed its success largely to the work of the Army Political Department, which, however, had almost disappeared following the conclusion of the expedition.

He declared that to keep the Chinese Army in step with the world's progress, and also to foster closer relations between the Chinese army and the populace, it was essential that the Chinese army enlarge its scope and that a higher status be given to the work of those in the Political Department.

General Chen stated that he expected to complete the training of 50,000 political workers in the Army within three years.

He outlined the work of the Army Political Department as follows:

1. Intelligence; 2. Post Office; 3. Transportation; 4. First Aid Stations; 5. Refugee Stations; 6. Army Co-operative Stores; 7. Army Clubs; 8. Supervisory Units to maintain Army discipline; 9. Propaganda; 10. The publication of a daily newspaper at the front to be known as the "War Front Daily."—Reuter.

#### A Similar Fate

Chungking, Dec. 17.

"Japan's adventure in China will meet with a similar fate to that of Napoleon at Moscow," declared General Pai Chung-hsi, Deputy Chief of the General Staff of the Chinese Army, in an interview with Reuter's correspondent here today.

Explaining China's new tactics, known in Chinese as "*Chuan Mien Chan Shu*," or "Entire Area Tactics," the General stated that hitherto, in the Shanghai, Hsuchow, Taierchwang and Hankow fighting, the Chinese had practised positional warfare, and also "regular warfare" tactics, but that from now on the Chinese army will adopt a new type of strategy.

General Pai emphasized that the "Entire Area" tactics will not be limited by rear or front, east, west, south or north. The Chinese, he declared, will not fight for possession of a point or line, but will seek control of an entire area.

#### Tactics Successful

In practice, such tactics were similar to those employed during the present fighting in Shansi, where, "if the Japanese push southwards, the Chinese forces will move northwards, whereas if the Japanese push westward, the Chinese will move eastward."

The success of such tactics, the General went on, had been demonstrated by the fact that six Japanese divisions were at present stationed in Shansi, "but are unable to control the province."

The Japanese forces have so far succeeded in occupying only a few points over large areas, he claimed. For example, they held only Tsingtao, Tsinan and Tsining in Shantung province, and Wuhu, Anking, Hofei and Pengpu in Anhwei province.

The Japanese, General Pai declared, must station troops at widely scattered points in China, thereby restricting their movement; whereas the Chinese army, from now on, would strike wherever they liked.

The general, in conclusion, stated that the Chinese troops still occupy sections of the Peiping-Hankow Railway, between Chengchow and Sinyang.—Reuter.

# Open Door Bound With Integrity

Chungking, Dec. 13.

"The principle of the Open Door is inseparable from China's integrity, and complete independence," states Mr. Li Ti-tsu, Director of the Publicity and Intelligence Department of the Chinese Foreign Office, in a special article appearing in this morning's "Ta Kung Pao."

"Only in an independent China," the article goes on to state, "will the Open Door be possible."

Mr. Li regrets the fact that the American Note of October 6, and also Lord Plymouth's statement in the House of Lords on December 7, "though being weighty indictments of Japan's discrimination against the Powers' interests in China, failed to stress the basic condition and principles of the Open Door, which are the complete independence of China."

Mr. Li, who is the recognized spokesman of the Chinese Foreign Office, refutes the Japanese contention that Japan's conquest of China will not affect the Powers' interests.

He points out that "Seven years of Japanese occupation in Manchuria have proved conclusively that there is no possibility of trade expansion by Third Powers in the area under Japanese occupation."

#### China Will Not Close Door

Mr. Li goes on to emphasize that a "strong and independent China will not result in a closed door in China, since she must rely on foreign capital, machinery and technical assistance for her economic development.

"Therefore," he declares, "the closing of the door by China is neither necessary, nor possible."

After discussing in detail the historical evolution of the Open Door doctrine, Mr. Li continues by stating that the maintenance of China's independence and integrity implied the Open Door concept.

He further points out that, in the treaties concluded since 1900, the preservation of the principle of the Open Door, and the maintenance of China's integrity, have always been mentioned together, the latter being a necessary prerequisite of the former.

In conclusion, Mr. Li urges the Powers to apply immediate and effective measures to curb Japan's aggression, so as to maintain the sanctity of their treaty obligations, preserve conditions of peace in the Pacific area, and protect their rights and interests in China.—Reuter.

# Lanchow Headquarters Of Gen. Chiang

Shihchiachwang, Dec. 17.

Gen. Chiang Kai-shek has decided to establish the general headquarters of the "eighth war zone" at Lanchow in Kansu province, with himself as Commander-in-Chief and Gen. Chu Shao-liang as his assistant, according to a press report received here today.

While directing military affairs in the north-western districts of Kansu, Chinghai and Sinkiang, Gen. Chiang can at the same time attempt to ease the reported friction between the Kuomintang and the Communists, the message said.

The location is advantageous also for supervising the transportation of military supplies from Russia. Establishment of the headquarters at Lanchow indicated that Gen. Chiang intends to "maintain the status quo" in those areas, the dispatch stated.—Domei.

# Export of Chinese Goods Encouraged

Shanghai, Dec. 13.

In order to encourage the export of native goods the Chinese government is now reported to be drafting a set of regulations governing the exemption of the export tax on goods that usually enjoy a good market in foreign countries.

The Government is pushing the sale of native goods in foreign countries in order to obtain foreign goods necessary for developing domestic industries. As a preliminary step towards carrying out the scheme important goods to be exported have been brought under the control of official firms. Wood oil and tea half into this category, it is stated.

The Native Goods Examination Committee has been formed by the Government for the purpose of improving the quantity of them and of distinguishing them from Japanese goods. Native goods must be certified before they can be sold in the interior.

#### State Control Advocated

Chungking, Dec. 12.

State control of Chinese export and import trade is advocated today in a leading article in the "Central Daily News," the official organ of the Chinese Government.

The article suggests that the scope of activities of the present Trade Commission of the Ministry of Finance be extended to include state control of China's export and import trade.

The Commission, continues the paper, is at present assisting in the export of tea, wood-oil, silk and wool.

The article considers that state control of export and import is not only a necessary war measure but is in accordance with present day world tendencies, and mentions Russia, Germany an Spain at examples.

#### Commission

Dec. 15.

Many prominent bankers and Government leaders have been appointed members of the Standing Committee of the Trade Commission of the Ministry of Finance, principally for the purpose of encouraging an increase in Chinese exports.

The members of the Commission include:—Messrs. Soong Tze-liang, Pei Sung-sun, Tang Shou-min, Lu Tso-fu, O. K. Yui, (former Mayor of the Municipality of Greater Shanghai), Li Fu-sun and Kang Sing-ju.

Proposals to assist export merchants included:—Firstly, exemption from payment of export duties; Secondly, Government payment of war insurance premiums; Thirdly, Government handling of transportation for export products; and Fourthly, Government credit grants.—Reuter.

# Circuit Judges for Occupied Areas

Shanghai, Dec. 18.

Chinese authorities in Chungking think that they can not afford to surrender their judicial power in the Japanese-occupied districts and have therefore decided to assign "circuit" judges to work in the war zone. According to a Chinese report, detailed regulations are being worked out by the Ministry of Justice to carry out the new judicial system and they are expected to be made public soon.

#### Postponed

It is now reported that the date for re-opening the Nantao District Court in Shanghai has been postponed. It will be recalled that recently officials of the "Reformed Government" at Nanking decided to resume the operations of the Nantao District Court on the New Year's Day. They have already appointed a chief judge and chosen the site of a former primary school for the court. The opening day has now been postponed to February 1 of 1939. No Chinese report has so far suggested that a "circuit" judge will work in Shanghai.

#### War Areas

According to the reported plan of the Ministry of Justice, judges will be sent by high courts to work in war areas. They are to tour in war zones and in order to herald their arrival notices will be posted beforehand. The people who wish to bring cases to the attention of "circuit" judges do not need to write their petitions on official petition forms which are hard to obtain in such areas. No court fees will be collected.

#### Subsidies

"Circuit" judges will receive subsidies besides their salaries. In creating the new judicial system Chinese authorities are stated to have a two-fold purpose to carry out, first, to help the people in the war zone to have their grievances heard, and second, to prevent the Japanese and "puppet" officials from infringing upon the judicial right of the Chinese government, the report states.

# "Provisional Govt's" Finances Sound

Peiping, Dec. 13.

Finances of the "Provisional Government" have been placed on a stable basis as a result of the operations of the Federal Reserve Bank and the revision of the tax system, officials of the Peiping administration announced yesterday in a statement reviewing the activities of the new régime during the first year of its existence.

As evidence of the financial security achieved by the government the statement declared that revenue from the Customs tariff, salt gabelle and consolidated tax, which are the three major sources of income, reached a pre-hostility level at the end of May.

The most noteworthy feature of the economic and financial reconstruction projects in North China undertaken by the new government was the establishment of the Federal Reserve Bank and the subsequent institution of a new currency system, the statement said.

Chinese banks of the Nationalist régime are displaying confidence in the Federal Reserve Bank, the statement claimed.

British Concession authorities in Tientsin, who at first refused to accept the new bank notes, recently decided to take them in payment of taxes, the statement further declared.

#### Task of Relief

The first and most difficult task which confronted the government officials, the statement said, was the speedy execution of relief projects on behalf of the Chinese masses who had suffered hardships in warfare and floods and been plagued by bandits and guerillas.

To solve the acute unemployment problem the government launched a programme of dyke and highway construction and community farming. Supplies of raw cotton were purchased and seeds distributed among the poor.

When disastrous floods followed the destruction of sections of dykes along the Yellow River by Chinese troops last July the government dispatched engineers to the stricken areas and formed a special commission to supervise relief and reconstruction. The sum of Y.200,000 was expended on these projects.

Maintenance of peace and order was given special attention by government officials; Peace Maintenance Commissions were formed in each hsien and policing systems were strengthened.

#### Industrials Development

Industrial development of North China has been under way on a broad scale since the organization of the North China Development Company on November 7, the statement said.

The Sino-Japanese Economic Council, which was established last March, has planned various measures to develop natural resources and industries in North China.

The North China Telecommunications Company and the Shihchingshan Iron Works, subsidiary firms of the North China Development Company, started operating on August 1 and November 20 respectively.

The old anti-Japanese doctrines of the Three People's Principles and the pro-Communist policies of the Kuomintang, "which constituted one of the major causes of the hostilities, are being supplanted by the new principles of Sino-Japanese co-operation," the statement said.

Anti-Japanese educational ideas were being eradicated, the statement declared. The Hsinmin Institute was established last January to train youths to become officials in the new government. A National Teachers College was opened in Peiping in April. Text books for schools in North China have been revised since September, the statement disclosed.

Schools of medicine, natural sciences and engineering were opened in the University of Peiping in September.

Schools of literature and law will be created soon to provide complete university training for the youth of North China, the statement continued.

The Hsin Min Hui was formed on December 24 of last year to foster adult education. The Cultural Association of East Asia was formed in Peiping on August 29 to lay the groundwork for Sino-Japanese cultural co-operation.

Establishment of a central government of China is only a matter of time, the statement declared. As a result of the "effective administrations" of the "Provisional" and "Reformed" Governments the time was past approaching when a new unified régime will be set up, the statement said.

Since the formation of the joint commission of the two régimes an agreement has been reached, the statement reveald, for joint jurisdiction over common administrative affairs, communications, postal administrations, finances, Customs, consolidated taxes, cultural movements and political ideology.—Domei.

# Fuehrer Receives China's Envoy

Berlin, Dec. 16.

Sino-German cultural and economic co-operation was advocated today by the new Chinese Ambassador to the Reich, Dr. Chen Chieh, when he presented his credentials to the Fuehrer, Herr Adolf Hitler, this afternoon.

Herr Hitler, in his reply to the new envoy's address, also emphasized possibilities of such co-operation between the two countries.

Dr. Chen presented his credentials in the presence of Dr. Otto Meissner, head of the Presidential Chancellory. The ceremony that took place today had been delayed for some time because of certain passages in Dr. Chen's speech which were considered "offending" to Japan. These passages were deleted.

The Chinese envoy stated today: "China on the one hand, with natural riches and with a desire for pacific recovery, and Germany on the other, with technical and scientific experience, might become complementary.

"The Chinese rulers and people believe that this situation affords possibilities for a favourable development of our relations.

#### Cultural Development Hopes

"In the field of cultural policy, the new legislation of the Third Reich dealing for instance with family farming and worship of ancestors, which are now encouraged by the State, are in harmony with the ancient Chinese worship of ancestors and the basis of Chinese peasant life.

"Relations between the two countries will be tightened by such common conceptions.

"The Chinese Government and the people are firmly determined to carry out pacific tasks at home and in co-operation with foreign countries in the interests of the whole world.

"In the field of foreign policies, the Chinese Government desire to promote and further enhance relations with friendly countries. Such a spirit corresponds also to the aspirations of the German Government and people."

In conclusion, Dr. Chen expressed his wishes for the happiness of the Reichsfuehrer and the German people.

#### Fuehrer's Beliefs Told

Replying to this address, Herr Hitler declared, "Common efforts for the development of our cultural relations can be fruitfully pursued in the future.

"I also believe the complementary character of the economic structures of our countries can afford favourable conditions for the development of mutual economic relations."

Herr Hitler, concluding, thanked the Chinese Ambassador for his message of good wishes brought from Dr. Lin Sen, President of the Chinese Republic.—Havas.

# China Hopes Germany Will Stay Neutral

Chungking, Dec. 16.

China does not hope that Germany will change her policy vis-à-vis her relations with Japan, but that, at least, Germany will maintain neutrality in the conflict between China and Japan, states a leading article on relations between China and Germany in the Chinese daily "Ta Kung Pao."

The journal emphasizes that the Chinese people will not easily forsake their friendship of long standing with the German people.

It expresses the hope that Germany will realise that "China will never be conquered by Japan, and also that Japan cannot, and will not, give active support to Germany in the event of a European war."

In conclusion, the "Ta Kung Pao" also hopes that Germany will not slight her friendship with China, which has always welcomed German products.—Reuter.

# Peiping Still Hopes to Merge "Governments"

Peiping, Dec. 12.

Definite steps to be taken for the organization of a central government of China by the amalgamation of the "Provisional" and "Reformed" administrations will be planned at a third session of the joint commission of the regimes on December 23, it was disclosed today in a statement issued by officials here in connection with the forthcoming anniversary of the establishment of the Peiping "government." The third meeting of the commission will be held here. The second session was in Nanking on November 2.—Domei.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# In Shanghai's News

(*l. to r.*) Mme. R. H. Meadmore, as Countess Cecile Mariassy, M. Favak as Jean, the butler, and Mme. R. Jobez, as Katinka, have leading roles in "Ruy Blas 38."

**Recent Promotions**

Major Frederick E. Stack, of the U.S. Marine Corps, who was recently promoted to the rank of Lieutenant-Colonel.—*Josepho.*

Maj.-Gen. A. P. D. Telfer-Smollett has been appointed Lieutenant-Governor of Guernsey with effect from June 5, 1939.—*Bann's.*

M. A. Bougon has an important part as Count Georges in "Ruy Blas 38."

## "RUY BLAS 38"

The next amateur theatricals to take place in Shanghai will be the French A.D.C.'s production, "Ruy Blas 38," to be played at the Lyceum Theatre on Wednesday, December 21. The production is under the able direction of Mme. L. Chevretton.—*Photographs by Skvirsky.*

M. G. Widmer, as Count Mariassy, has one of the leading parts in "Ruy Blas 38."

At the Union Church Fun Fair, December 9 and 10: Mr. W. M. McLennan presided over the Books and Christmas Wrappings stall. Mrs. A. Y. Tait is seen at extreme left, making a purchase.—*N.C.D.N.*

M. P. Anthoine-Milhomme will take part in "Ruy Blas 38."

Mme. L. Chevretton is responsible for the production of the French A.D.C.'s next play.

M. R. Leydon will play the part of Etienne in "Ruy Blas 38."

At the Union Church Fun Fair: Mrs. A. T. Aiers, Mrs. J. C. Smith and Mrs. W. M. McCoulstra were in charge of the White Elephant Stall.—*N.C.D.N.*

M. Y. Segalen, as a reporter, Mlle Colette Meadmore, as the maid, and M. P. Cousyn as the secretary, will be seen in the French A.D.C.'s production on December 21.

Mr. and Mrs. H. Tarzi paid a short visit to Shanghai recently on their way to North China and Manchoukuo. Mr. Tarzi is the Minister for Afghanistan to Japan.—*Josepho.*

Officers of U.S.S. Luzon who arrived in Shanghai on December 9 after being "bottled up" in the Yangtze for the past 16 months. (*Seated, l. to r.*) Lt. W. T. Kenny, Lt. Comdr. C. B. McVay, Lt. M. W. Clay. (*Standing*) Lt. F. A. Brock, Lt. S. T. Kasper, Lt. A. D. Kilmartin, Lt. P. F. Boyle.—*Josepho.*

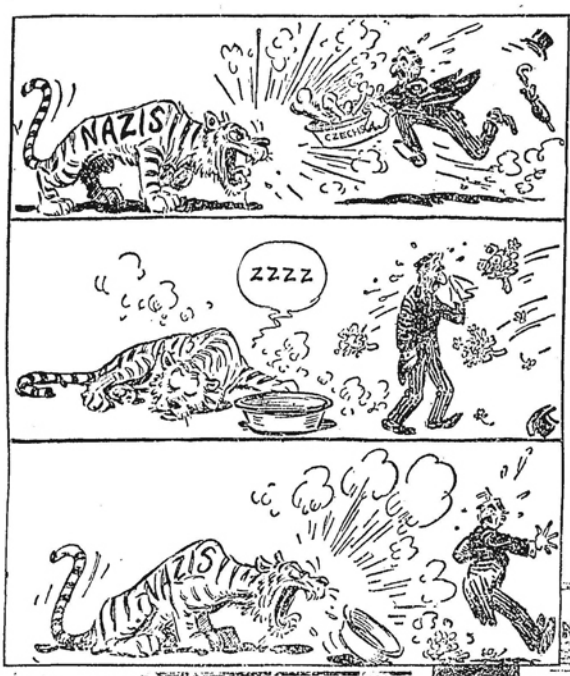
Mr. J. L. Walla, who will shortly open the Ascot Studio.

Mary Lee Rankin, aged 9, is the younger daughter of Mr. and Mrs. M. T. Rankin.—*Skvirsky.*

A recent photograph of Page Rankin, fifteen-year old daughter of Mr. and Mrs. M. T. Rankin. —*Skvirsky.*

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# As the Cartoonists See Affairs




"Chicago News" Chicago

THE TROUBLE IS HE GETS HUNGRY AGAIN.

"Commercial Appeal" Memphis

"WE CAN MATCH YOU"

"Times-Union" Rochester

"Pardon me, old man, but"—

"Washington Post" Washington

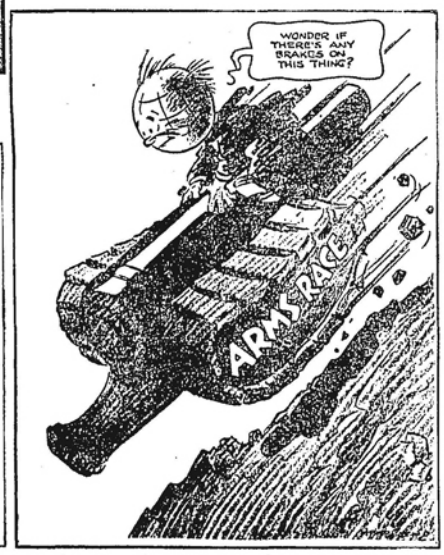
DESCENDANTS OF MAN O' WAR.

"Daily Herald" London

WHERE NEXT?

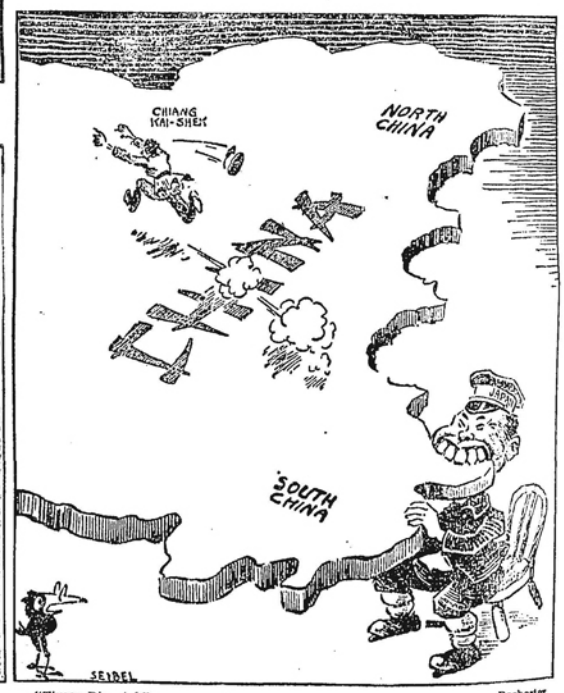
"Simplicissmus" Munich

AUNTY LEAGUE WATCHES THE VERSAILLES LEAVES FALL.



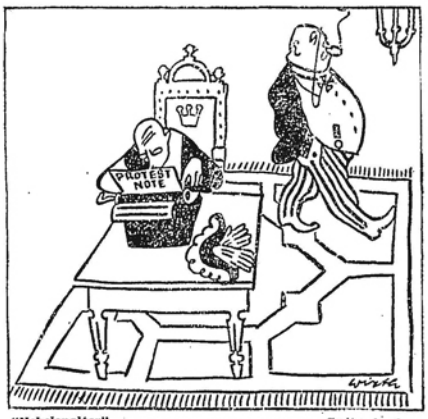

"Boston Transcript" Boston

SOMETHING TO BEGIN THINKING ABOUT




"Times-Dispatch" Rochester

CAN HE DIGEST IT ALL




"Nebelspalter" Switzerland

RE BOMBING OPEN TOWNS

"P.S.—Nevertheless we would be interested to know what bombs are the most effective."

"Detroit News" Detroit

A VENTURE INTO THE REALM OF FANTASY

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## NORTH-CHINA HERALD

EVERY WEDNESDAY

Weekly Edition of the "North-China Daily News"

Single copies 40 cents

| | | |
|---|---|---|
| Shanghai delivery | per annum | $10 |
| China, Korea and Japan | .. | $18 |
| Hongkong and Macao | .. | $21 |
| Postal Union Countries | .. | $28 |

## NORTH-CHINA DAILY NEWS

Single copies 10 cents

| | | |
|---|---|---|
| Shanghai delivery | per annum | $24 |
| China, Korea and Japan | .. | $32 |
| Hongkong and Macao | .. | $50 |
| Postal Union Countries | .. | $85 |

NORTH-CHINA DAILY NEWS & HERALD LTD.
(Incorporated in Hongkong)

Reg. Office: North-China Building, Shanghai

Telegrams: Herald Shanghai

P.O. Box 707 Telephone 11055

Letters should be addressed to the Secretary, North-China Daily News & Herald, Ltd., to whom all remittances should be made payable.

Articles and letters intended for publication in the news columns of the paper should be addressed to the Editor and not to individuals. Correspondents are requested to typewrite on one side of the paper only. Letters to the Editor should be brief and to the point.


## BIRTHS

ALDINGTON.—At Chungking, Szechwan, on November 30, 1938, to BOBBIE, wife of G. W. Aldington, H.M. Consular Service in China, a daughter.

CARLISLE.—On December 18, 1938, at the Country Hospital, Shanghai, to Mr. and Mrs. S. M. CARLISLE, a daughter.

CHISHOLM.—On December 15, 1938, at the Country Hospital, Shanghai, to Mr. and Mrs. W. R. Chisholm, a daughter, RHONA STUART. (Both well.)

SEMMELINK.—On December 17, 1938 at the Country Hospital to Mrs. C. M. Semmelink (née Visser) and Mr. H. R. Semmelink, a son, HERMAN, JAN. (Hongkong papers please copy.)

## ENGAGEMENTS

LEES—SCOTT-MORRIS.—The engagement is announced between FRANK LENTHALL LEES, younger son of the late Mr. J. P. Lees and Mrs. Lees of Cheadle-Hulme, Cheshire, and LORNA LETITIA, elder daughter of Mr. and Mrs. A. M. Scott-Morris of Foochow, China.

MAYNE—WEBB.—The engagement is announced between GEORGE STUART OTWAY, elder son of Mr. and Mrs. G. E. Otway Mayne, of Shanghai, and BERYL JOAN, daughter of Mrs. R. N. Bryson, and the late Mr. W. S. Webb, of Bristol, England.

## MARRIAGE

BLOWN—HARDING.—On December 17, 1938, at the Holy Trinity Cathedral, Shanghai, by the Very Rev. Dean Trivett, M.A., D.D. WINIFRED MARJORY, the only daughter of Mrs. K. M. and the late Mr. J. W. Harding to PHILLIP, the elder son of Capt. and Mrs. O. C. Blown.

## DEATHS

BROWETT.—On December 14, 1938, at his residence, 81 Gascogne Apartments, 1202 Avenue Joffre, Shanghai, HAROLD BROWETT, aged 76 years, beloved husband of Kathleen Browett. (London papers please copy.)

CARION.—On Friday, December 16, 1938, at Shanghai, HILDA CARION, aged 8 months, the infant daughter of Mr. and Mrs. E. M. Carion. (Hongkong, Macao and Nagasaki papers please copy.)

GIELS.—On Friday, December 16, 1938, at the Russian Orthodox Hospital, Shanghai, JAHNIS GIELS, aged 49 years.

KNUDSEN.—On Sunday, December 18, 1938, at Shanghai, ALICE EMILY, aged 54 years, the dearly-beloved wife of Augustus F. Knudsen.

LOCKYER.—On Monday, December 19, 1938, suddenly, at his residence, 1690 Avenue Joffre, AUSTIN EDMUND LOCKYER, aged 57 years, the dearly-beloved husband of Jane Russell Lockyer.

MOWLL.—On Tuesday, December 13, 1938, at London, WILLIAM RUTLEY MOWLL, dearly beloved husband of Mabel Mowll.

SILVA.—On Monday, December 12, 1938, at Shanghai, LUIZ CONSTANCIO DA SILVA, aged 9 years, and on Thursday, December 15, MARIA MELINA DA SILVA, aged 6½ years, the dearly-beloved children of Mr. and Mrs. L. G. da Silva. (Hongkong and Macao papers please copy.)

## "BREAD"

*Dec. 14.*

"Lord, open the King of England's eyes!" cried William Tindale as he went to the stake at Vilvorde on October 6, 1536. The prayer was answered with striking rapidity, for two years later Henry VIII caused "one book of the whole Bible of the largest volume" to be set up in every parish church in the land. England had secured free and untrammelled access to the Scriptures, and for the next 400 years, with the exception of the brief period of Mary's reign, continued to have it, and has it now. It is one of the pleasant duties of the year to welcome the popular report of the British and Foreign Bible Society. This year with the brief title "Bread" the work appears again to cover the activities of the Society, and to show how the Bible is being spread unto all lands, and of the wonderful results which accrue from its dissemination. It does not matter what may be the individual opinion of the Bible and what it stands for, or whether its widespread use is a good or bad thing; there cannot be the slightest doubt that it is one of the most potent influences even now operating in the world. The report shows that its message is still gladly welcomed, that faith is either being instilled or renewed, and that it is having a profound effect upon an increasingly large number of lives. Hundreds of millions of copies of the Scriptures have been distributed in every quarter of the globe, and still the great work continues. During the twelve months covered by the report twelve new versions in as many languages have been added to the long list which has already been prepared. St. Mark has been translated into seven different tongues, St. Luke into three and St. John into two, and yet the Gospel presented to twelve different tribes in twelve different forms of speech has been allowed to lose nothing of its merit. Truly a wonderful piece of work to add to the formidable structure of energy which has been created during the years of the Society's history. From the Eskimos in Greenland to the Wororа tribe in Australia the Bible, or part of it, is available to mankind in the language which he uses, testimony not only to the industry of those responsible for the work, but also to the faith which inspires them.

This huge undertaking goes back to that day in 1538 when the large tomes were set up in the parish churches. The report quotes "Alan Breck's" version of what he thinks must have happened in those days when the Book arrived in an English village:—

> Then came a real sensation that set the village all agog with excitement, for a messenger arrived with one of the new-fangled printed books, and had delivered it to the parson. Right up to the Sunday the village buzzed with talk. The book was this. It was that. It was only lent for exhibition. It was in Latin. It was in English. Everyone chattered, and slowly the rumour gained ground that the strange book was a Bible, God's word, and that it was in English and was to belong to the village, to be actually in the church for anyone to read. Not that anyone could read, for it was unlikely that the squire's son, who had been to Oxford and knew nearly as much as the parson, would read the new book to the villagers.
>
> The church was packed on Sunday, and when the time for the notices came in the mass, the silence was as deep as though it had been the very consecration. So the book was for the village after all and it was the Bible in English, and the parson had to still the hum of conversation that threatened to bring the service to an end. Then, when the mass was over, someone bolder than the rest actually stood up and begged the parson to read to them. Not that they had never heard any of the Bible in their own speech, but they understood that this was the whole Bible, and perhaps he would read something that they had never heard—Noah and the flood, perhaps, that hitherto they had only known through the plays. So he read, and day after day people gathered to hear him, or the squire's son, who, after all, was interested and willing to help, and the village stepped into a new world.

A long fight had ended and those who insisted that the Word should be made accessible to all, after centuries of suffering had won the day, and another foundation stone of British liberties had been laid.

The financial statement at the end of the report serves quickly to give some idea of the immensity of the work of spreading the knowledge of the Bible undertaken by this society alone. No less a sum than £385,348 is accounted for of which £215,160 went for translating and publishing the Scriptures including the cost of freight and insurance. There are other expenses involved in the distribution of the works amounting to something over £160,000, with but a small item of less than £6,000 for retiring allowances and grants to dependents. On the income side sales of the Scriptures amounted to £154,691 with an additional income of £2,212 from the sale of magazines and literature, while the rest of the money necessary for carrying on the work comes from subscriptions, contributions, receipts from special funds, legacies and dividends. On the year's working there was an excess of expenditure over income of £7,256. A comparison of the cost of translating and publishing, compared with the income derived from the sales of the products shows that this important work is being conducted at a loss, and a very substantial one at that, but there is no one who reads the whole of the report who would suggest for one moment that the carrying on of such a work, even if it be at a commercial loss, is unjustified. Against whatever financial losses there may be, and they seem to be adequately covered from other sources, must be placed the very definite spiritual gains which are thus given to the world at large, so great as to be incapable of translation into terms of money. There are other societies doing similar work, and when their activities are taken into account it is apparent that the Church is very militant upon earth, and that the Bible is still its best weapon for combatting the forces of ignorance and evil. It is to be hoped that this activity will continue to grow with the years, for if the Bible is good, and there can be few to gainsay that fact, then humanity cannot have too much of it, especially in times such as these.

## A STATESMAN'S SPEECH

*Dec. 15.*

That the setbacks which Mr. Neville Chamberlain has recently received to his policy of general appeasement have in no way daunted him is clear from the speech which he made on Tuesday night at the dinner of the Foreign Press Association. His remarks were a clear exposition of what he has in mind, and though there may be criticism of the means he has employed—criticism which cannot be wholly justified—there can be doubt of neither his determination nor his transparent honesty of purpose. He placed the issue fairly and squarely before his listeners when he summed it up as follows:—

> Two courses were open: one was to make up one's mind that war was inevitable, and to throw the whole of the country's energies into preparing for it, and the other was to make a prolonged and determined effort to eradicate possible causes of war and to try out methods of personal contact and discussion, while, at the same time, proceeding with the armament necessary to restore the power of defence.

In other words his policy is one of working for peace, but preparing against the eventuality of war. In that statement is to be found a complete answer to those who ask why, if Mr. Chamberlain believes in the effectiveness of the Munich Pact, Great Britain should be rearming at the rate she is. It is in the interests of peace that Great Britain should be fully prepared to defend herself, for a weak Britain would undoubtedly be a direct enticement to war. That need not necessarily mean that Britain is any more warminded now than she has been in the past, or that the loyalty to the ideals of peace has in any way been diminished, for it must be realized that, when the potential threats of danger which have been manifested of recent months are taken into consideration, it would be the height of foolishness not to get into a posture of effective defence as speedily as possible. In this connection it is of interest to note that preparations of defence have now proceeded far enough for him to say with confidence that Britain is in a position to honour her obligations to those for whom she is responsible within the Empire as well as the allies. That is all the more comforting when the revelations of unpreparedness prior to and after the Czechoslovak crisis are remembered, and it is gratifying news to learn that those adjustments which have been made entitle him to make such a claim.

The denial of aggressive purposes on the part of the British Government is of a piece with the whole of the British policy. It has been stated time and again that the present rearmament is for the purpose of defence only, but it has to be taken to such a degree that aggression by other nations will not only be rendered profitless but actually dangerous to them. A weak Britain, in conditions such as they are, would be a direct menace to the peace of Europe. Mr. Chamberlain's reference to the recent attacks of the German Press and particularly that made upon Earl Baldwin was but natural when all the circumstances are taken into consideration. Much complaint has been made of references to German leaders in the British Press, and a considerable amount of susceptibility displayed, but the tirade of abuse poured out upon Earl Baldwin must inevitably have called forth the dignified protest which the Prime Minister made on Tuesday. If as it is suggested it was this passage which led to the absence of the German diplomats and correspondents, it must be pointed out that it compares very favourably indeed with much that has appeared in the German press, in which connection the significance of the behaviour complained of is to be found in the fact that the German Government can exercise a control over its journals, which has not yet by law been vested in the British Government, and is unlikely to be unless some cataclysmic change occurs in the Constitution. That the contents of a document, which was supposed to be completely confidential until the speech was made, should have been divulged is an entirely different matter with which the Foreign Press Association may very well seek to concern itself. The communication of speeches to the Press beforehand is a common practice to be commended as tending to the convenience of the journalist, but it is unlikely to be continued if breaches such as these occur.

Perhaps the most important portion of the speech was Mr. Chamberlain's reference to Britain's friendly relations with the United States and France. It is unthinkable that conditions should ever arise which would bring Britain and America into hostility. The recent signing of the Anglo-American Trade Agreement with the consequent settlement of many causes for friction is an earnest of the improvement of the relations between the two countries and a consolidation of the position in world affairs which two such democracies should occupy. The Prime Minister's reference to France should set at rest some doubts created by a recent reply to a question in the House of Commons to the effect that Britain was not legally bound to go to the aid of France in the event of a war between that country and Italy. British "relations with France are so close as to pass beyond mere legal obligations, since they are founded on an identity of interest." There is much of significance in that sentence. It is a promise that nothing shall be allowed to split the Entente or diminish its importance. Great Britain and France stand as solidly side by side in European, and other matters as if their relationships were regulated by the most rigid and compendious agreement. Indeed such a document would be unnecessary in the conditions which prevail, for once the principles underlying the Entente are accepted, it is obvious that their application must be capable of the widest interpretation. The Prime Minister concluded his address with a declaration of belief that it is possible to attain the goal he has in view, provided Britain kept its purpose firm, its courage undaunted and its faith untarnished,—in other words if Britain to herself remain but true. But there is still much suspicion and prejudice abroad in the world, and their removal will prove a task of some difficulty. Taken in its right sense Mr. Chamberlain's speech should prove a valuable contribution to the successful accomplishment of that task. There is a real desire on the parts of the British and German people for a better understanding. It is evidenced by the fact that certain passages of his address have been welcomed by political circles in Berlin, and, if Mr. Chamberlain can carry through the policy to which he has irrevocably committed himself, he will have done much to bring it about.

## PROTECTING THE GULL

*Dec. 16.*

It is to be hoped that the British government's proposals for dealing with share-pushers, included in the Prevention of Fraud (Investments) Bill which has been read a second time in the House of Commons will not be too seriously mauled when passing through the committee stage, for the measure has been designed with great care with the idea of hampering as little as possible the operations of honest men, while permitting of effective treatment of the rogue. It is something in the nature of an anti-climax, that in this age it should be necessary for a Government to act in order to save a fool from his folly, but the success with which share-pushers have fleeced large numbers of the unsuspecting public of huge sums of money clearly proves that such legislation is necessary. That this is so is evidenced from the fact that the notorious Jacob Factor is estimated to have acquired no less a sum than £1,000,000 during eighteen months' activity in England, to have succeeded in escaping to the United States and to have fought off all efforts for his extradition, while during the debate on the second reading, it was alleged that rogues responsible for these get-rich-quick schemes have succeeded in defrauding the British public of as much as £5,000,000 in a year. Human nature being what it is, with the desire for easy money, reinforced by an almost incredible gullibility, it has become necessary for the State to protect these people who fall in hordes before the persuasive tongues of the high-powered salesmen who are used in this racket. Sir Arthur Bodkin's Committee which was appointed to go into the matter in 1936 made as their main recommendations: (1) the registration of all those carrying on business of dealing in stocks and shares: (2) action to prevent circularization for the purpose of getting people to enter into agreements to buy shares; and (3) amendment of the Larceny Act so as to deal with the definition of false pretences. Registration will precede the issuance of licences by the Board of Trade which will be empowered to establish from time to time regulations, etc., under which such businesses shall be carried on. Thus they will be able to deal with the approach of canvassers to non-clients which is so necessary if the share-pusher is to succeed, and it is hoped that eventually a system will be built up which will not only circumvent these very ingenious gentry but provide for increased punishment should they be so ill-advised as to continue their evil courses.

Thus while it may not be possible to prevent all the irregularities to which the Press has repeatedly drawn attention, the fact that the penalty for making any false or misleading statement, promise or forecast will be increased from two to seven years should have a completely deterrent effect. The Government in drafting the Bill consulted City interests, and the latter were prepared to accept certain inconveniences and some loss of dignity provided that by doing so the practice of share-pushing would be stopped. It is more than a little regrettable that coincident with the introduction of this legislation the Government has not thought fit to embark upon amendment of the libel law. Experience has shown that when newspapers in the course of their work have sought to expose these swindlers, the more daring of them, and those with most money at stake, have been able to avail themselves of the provisions of the law of libel as they stand at present to prevent a continuance of a newspaper's revelations, by filing an action which they never intended to prosecute. It is to be said for some of the journals engaged

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

in the exposure of Jacob Factor that they were not intimidated by such action, and it was the courageous manner in which they faced possible actions for contempt of court which led to the final exposure of this man whom the British authorities would greatly like to have within their jurisdiction. It is claimed that the "Daily Mail" has spent no less a sum than £50,000 in exposing such rascals, but in doing so it has exposed itself to actions for libel, costly enough to prepare against, but which were never ultimately taken into court, because in the meantime these swindlers had succeeded in making the money they were after. The work of protecting widows and pensioners from the share-shark is a task more for the law than the Press, but in the past it has been found that the latter in its very correct endeavours as the public watchdog has been hampered and penalized by the law of libel in a manner which should never have been allowed to occur.

There would be much in the contention that if people are betrayed by their own cupidity it is their fault, but it must be remembered that astute men of the world very often fail to realize when the confidence trick in its many forms is being worked on them, and if they can be fooled how much easier must it be for the very plausible share-pusher to gull those unworldly types which still exist in uncomfortable proportions? Obviously, with the provision that people dealing in stocks and shares have to be licenced, and registered, a very early remedy is placed in the hands of the authorities, for the dissemination of fraudulent circulars by an unregistered and unlicenced person will be in itself a crime for which punishment is provided. This at least should serve to put a quick termination to the activities of such people. There appears to be one weakness in the Bill with regard to the rogue who is described as "knowingly or recklessly" making misleading statements. It places upon the authorities the onus of proving the man did know and was reckless of the falsity of his statements, where it would have been better to assume that the fact of the statements being false at the time they were made threw upon the defendant the onus of proving his ignorance of that fact. That, it might be claimed, is too much at variance with the spirit of the law, as requiring a defendant to prove a negative, but, where as in such cases the whole point at issue is fraud, it does not seem too unreasonable that the defendant should be called upon to prove every indication of his alleged innocence. It is possible that during the committee stage certain weaknesses which have already been shown by critics of the proposed enactment will be tightened up. It is quite clear that if the criminals at whom this legislation is aimed, realize that the new law will make it exceedingly difficult to "get away with it" they will be reluctant to run the great risk of receiving a very salutary sentence of imprisonment. For this reason it is suggested that the preventive side of this Bill should receive further attention. Indeed that is imperative, for while it is satisfactory to know that specialists in this sort of crime will receive their just deserts, it would be preferable to make sure that their expected victims will be protected by adequate deterrents.

## M. BONNET'S SPEECH

*Dec. 17.*

M. Georges Bonnet, French Foreign Minister, in a speech before the Foreign Affairs Committee of the Chamber of Deputies, has made the position of his government on two important points perfectly clear, and there cannot now be any possibility of further misunderstanding. In reply to Mr. Neville Chamberlain's recent remark that "Our relations with France are so close as to go beyond mere legal obligations as they are founded on an identity of interests," M. Bonnet has clearly set forth the position of his own country. "I declare in the name of the French Government that all the forces of France would immediately and spontaneously be utilized for the defence of Great Britain in the event of unprovoked aggression." This emphatic reaffirmation of Anglo-French solidarity is of paramount importance, clearly defining the position of the two Powers for the general enlightenment of the world, and involving implications which should not be without some influence upon political trends in the Far East. It was indeed only to be expected that this would be the case, but the speech is interesting as placing on record that recent attempts to drive a wedge between the two countries have failed, and further that by reason of this clarification, undeniable bonds have undoubtedly been tightened. That is all to the good, for the removal of any uncertainty in this respect may prove to be one of those factors tending towards peace, which it is claimed was absent in 1914 owing to the alleged ambiguity of Great Britain's position with regard to Belgium. Their community of interests, and the democratic ideals, of which the two nations are the chief champions in Europe today, make it imperative that they should stand together, for if ever there were danger in the disunion of the two countries it would be in times such as these. The Anglo-German Non-aggression Pact, the similar document concluded between France and Germany, as well as the Anglo-Italian Accord are now placed in their proper perspective, they are more or less guaranteed as instruments of peace by the very manifest completeness of the Anglo-French understanding.

The second point which M. Bonnet has made quite clear is with regard to the recently commenced agitation in Italy for the return of territory which it is claimed should be regarded as Italian. In this connection it should be pointed out that the demonstration in which Italian deputies clamoured for Tunisia has been disavowed by the Italian Government. As to the validity of that disavowal there will be varying opinions, but the fact that there have been two such demonstrations in a country, regimented in the way that Italy is, must naturally carry more weight than were their spontaneity completely unquestionable. At the moment Italy has made no such claims, and it is possible she never will, but the existence of such an agitation and the possibility of such a demand eventually being made must have an unfortunate tendency upon the development of better relations between the two countries. M. Bonnet has stated quite definitely that France would never agree to surrender the slightest part of her territory to Italy, and that any such claim would result in war. It is probable that what the Foreign Minister actually said was that any attempt to force such a claim would lead to that very deplorable event, and as at present no such claim has been made it may be regarded rather as an academic point than an issue in practical politics. The provision of the Anglo-Italian Accord, guaranteeing the maintenance of the *status quo* in the Mediterranean may be taken as a factor operating against the formulation of any such demands in the near future, and it is to be assumed that in any formal rapprochement between Paris and Rome a similar provision would be sought in the document recording it. Even if it were not, Italy appears to be estopped from making any such demands by the Anglo-Italian agreement, for obviously any attempt to change existing conditions in the Mediterranean would amount to a nullification of that instrument and a very definite deterioration in the relations of the two countries, which have been mended at the expense of a great deal of trouble.

It is by no means clear that there is any very real merit in this Italian agitation. At the very most it seems to be nothing more than an Abyssinian afterthought, though it might have been started for the purpose of gaining concessions elsewhere, notably at Djibouti, the maritime terminus of the railway to Addis Abbaba. If that is indeed the case, it is clearly covered by the declaration of M. Bonnet quoted above. As part of French territory it will not be abandoned even at the expense of war. In the cabled reports of M. Bonnet's speech there are no references to eastern Europe, and the attitude which France is likely to adopt in the event of there being further movements for the extension of German influence in that area. Franco-Polish relations have undergone a substantial change during the past few years, and the ties which bound the countries together are in all probability by no means as strong as they originally were. That does not necessarily mean that what are said to be German ambitions in that part of the world will be fulfilled without trouble, for there must undoubtedly be opposition on the part of Russia, which could not lightly afford to see the establishment of an independent Ukraine, even if Poland were also obliged to contribute her portion to such a creation. In this connection the situation is not clear. While it is claimed that the manner of the solution of the Czechoslovak crisis placed considerable strain upon Franco-Soviet undertakings these latter have not yet been denounced, and, that being the case, there is always the possibility of their being invoked should the German trend towards the east become too embarrassing. The situation is obviously an interesting one, in which there is important play of factors which are at present imponderable, but which might become very apparent if and when future crises arise. Be that as it may the most important point at the moment is that the attitudes of Britain and France on certain well-defined problems have been clearly enunciated, permitting of no future misunderstanding, and giving Europe generally emphatic notice of where the two nations stand.

## HELP FOR CHINA

*Dec. 19.*

The possibility that the new export credit scheme devised by the British Government, and the loan which has been arranged in the United States may serve to render that assistance to China of which she is in such need cannot be overlooked. That it is somewhat belated is apparent, but in matters of this nature "better late than never" is a proverb which can be most aptly applied. The significance to be found in this latest development, that the attitude of Great Britain and the United States is stiffening, is most heartily to be welcomed, for while there is every sympathy with the perplexities which confront the two Governments, there has been in the Far East a growing anxiety lest there should be a general failure to realize the growing seriousness of the situation here. Details of how it is proposed in London to give China the benefits of the operation of the export credits scheme are not at the moment available, but it is believed in well-informed quarters that £450,000 will be made available for the purchase of capital goods obviously with the idea of strengthening the Chinese Government's means of communication with the outside world through Burma. This together with the American loan of £5,000,000 should enable China to develop her trade through practically the only channel which is now left open. It would not be unreasonable to suppose that there is in financial circles, both in the United States and Great Britain, no very great enthusiasm over the making of loans to China upon a purely commercial basis, for obviously such would, in the present circumstances, have about them the nature of gambling upon China's political future, and be of such economic recklessness as not to be particularly commendable. But it is clear from the reported contents of the new British proposals concerning export credits, that the intention is that they may be extended in the light of political as well as commercial considerations. In other words where as an ordinary commercial proposition, the granting of export credits need not necessarily commend themselves to financiers, political considerations may serve to make such a step desirable.

However distasteful the fact of such assistance being given to China may be to the government of Japan, there need be no misgivings as to the propriety of the proposed step. China is just as entitled to buy in the markets of the world as is Japan in the light of the peculiar circumstances attending Sino-Japanese hostilities. The fact that financial assistance is being given to make such purchases possible carries the matter no further, for it is quite clear that if such trade is permissible then so also must be whatever means are considered necessary for financing it. Even if a declared state of war existed there would be no material change in the position, for during the Great War Germany could, up to the entry of the United States into the struggle, have purchased material from America, if it had not been for the substantial obstacle of the blockade. In this connection the comparative smallness of the sum which the British Government apparently intends to make available to China has no very important significance. It is to be assumed that the effectiveness of that amount depends entirely upon the rate with which China can redeem those credits, for the faster she is able to do so, the more often can that sum be turned over for her benefit. The same consideration applies to the whole of this new export credit system, and the importance of the proposed £10,000,000 depends entirely upon the facility with which the sum can be repaid by the debtor nations, and the speed with which it can be reemployed. Of course, it will be readily admitted that the loss which might be incurred for political reasons is consequently limited to so small a sum, but the effectiveness of the scheme depends very largely upon the financial means taken by China to reduce the commercial risks which for the moment political reasons are to be permitted to offset. There will be some who will look askance at what appears to be an instance of unorthodox international financing, but this is not the first case in which money has been used for political purposes and will in all probability not be the last.

The effect of this new departure upon Japanese opinion will naturally be watched with considerable interest. That Tokyo will be annoyed may be taken for granted. The Japanese Government has repeatedly complained against the foreign assistance given to China; China has been just as bitterly reproachful over its alleged absence, and it has been shown once again that the policy of neutrality satisfies no one, even though in this instance what is still a practice of the same doctrine does operate to some extent to the benefit of China If that indeed proves to be the case Japan has only herself to blame. The notorious and sinister disregard of the rights of foreign neutrals in this country tends to invite no special consideration so far as the offending nation is concerned, especially when, in all the circumstances, what Great Britain and the United States contemplate doing constitutes no infringement of international law, or of the neutrality which they have so strictly observed. The Japanese Government may be confidently expected to complain when the details of these schemes are officially disclosed, but it will be a complaint in which there will be no real merit, for similar accommodation would be extended to Japan, without any breach of neutrality were she to ask for it and were it deemed advisable to grant such a request. In the circumstances, however, it should be made quite plain that what Washington and Whitehall propose doing, is merely something which they could have done at any time since the commencement of the "China Incident," and the fact that it may prove distasteful to Japan in no way invalidates the propriety of the proposed measures. It is possible that as a result Tokyo may decide upon retaliatory methods even though the Japanese would be put still further in the wrong by doing so. That contingency must be met if and when it arises. Retaliation is a game at which more than one can play, and if that does come into being the ability of Great Britain and the United States to reply, and reply effectively is very much greater than that of Japan.

## SUEZ CANAL DUES

*Dec. 20.*

If there is one point upon which totalitarian states agitate with which it is possible to be in agreement it must certainly be that raised by Italy demanding representation on the board of the Suez Canal Co., and a reduction of the dues which are at present charged. With regard to the former it is apparent that Italy as one of the "nations principally interested" is entitled to representation on the board, and it is not to be believed that there will be any very strong opposition to such a demand. On the other hand the case for a further substantial reduction in canal dues is overwhelmingly strong, and in this connection it should be pointed out that the recent reduction from six shillings a ton to 5s. 9d. represents no very real concession to the shipping which uses the canal. Profits on the various scales of dues have always been high: in 1913 they were 33 per cent., in 1930 they had risen to 44 per cent., falling to 32 per cent. in 1932. Dues which were 5s. 4d. a Suez Canal ton in 1913 were at six shillings in 1937, meaning that the transit dues on a cargo say of 7,000 tons of coal from Swansea in a collier of 2,900 net tons,—equal to 3,700 Suez Canal tons,—would be about £1,100 or nearly 3s. 0d. a ton, a crushing addition to the c.i.f. value of a commodity which is shipped in competition with that of other countries, at an f.o.b. value of say 20s. a ton. From such an example it must be obvious that European countries trading in the Far East are consequently at a very considerable disadvantage as against such shipping as the Japanese which in this connection would not have to use the Canal. This burden is all the more surprising when it is recalled that the dues of the Panama Canal, ship for ship are from 10 to 20 per cent. below those of the Suez Canal, despite the fact that the former cost three times as much to construct, is much costlier to maintain and is still not run at a loss.

The height of the Suez Canal dues has been a matter of considerable concern practically since the inauguration of the company, and quite early in its history the agitation took such a form that the construction of a second competing canal was seriously considered. De Lesseps met the agitation by giving British shipowners further representation on the Board, and promising to apply profits, accruing after paying a dividend of 25 per cent., in reduction of dues to a minimum of Fr. 5. That, however, was quietly allowed to lapse. Since then the profits have risen as shown above, but protests have been ineffective whether they have emanated from British shippers, Dominion or foreign Governments. It has to be admitted that the Canal Company have the law on their side. Their business is to make profits, for they are not a public utility concern, but a private French company. They have accumulated vast reserves, pay liberal salaries and provide generous pensions. But it is clear, and has been so for years that the existing scale of dues has operated seriously against shipping obliged to use the Canal. Indeed they are so high that it has been estimated that the charges are equivalent to the cost of ten days' extra steaming for every ship, a serious handicap indeed upon shipping forced to use that thoroughfare. It has been suggested that the present system of fixing rates might with advantage be changed by adopting a scale which would take a vessel's draught and the amount and nature of the cargo carried into consideration, while another school of thought favours a three-part tariff based upon tonnage of cargo, draught and net tonnage. Of the supreme importance of the efficiency and cost of the Canal to European and Asiatic countries alike there cannot be the slightest doubt. There is no suggestion that the Company is not demonstrating complete efficiency in the manner in which it operates the canal, but it is contended that the charges are in the circumstances unwarrantably high, and that the time has come for further scaling down, and that despite the recent reduction by the small sum of 3d. a ton.

Of the importance of greater reduction to all trade east of Suez there cannot be the slightest doubt. In the Asiatic trade both the United States and Japan are in a favourable position, for even cargo brought from the eastern seaboard of America passing through the Panama Canal can be carried to Asia cheaper than it can from Europe via Suez Canal. The disadvantage at which European countries trading with the Far East are placed is a serious one, and if de Lesseps' proposal to use surplus profits for the reduction of dues to a minimum of Fr. 5 had been carried out, and there appears to be no valid reason why it should not have

*(Continued on page 487)*

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# SHANGHAI NOTES

## Good Work Recognized

The large circle of friends which Major-General A.P.D. Telfer-Smollett has made in Shanghai during his term of office as Commander of the British Forces here, will rejoice to hear of the new appointment which he has received, as Lieutenant-Governor of Guernsey and its dependencies, consisting of Alderney and Sark. The signal services, which he has been able to render the community during the troublous times through which it has passed and is still passing, are deeply appreciated by those who realize the enormous amount of work he has done, and the efficiency with which he has done it, and his departure from Shanghai will be attended with very real regret. The Channel Islands are the only portions of the Dukedom of Normandy now belonging to the Crown of England, to which they have been attached since the Norman Conquest. They are administered according to their own laws and customs. Jersey has a separate existence, but, like it, Guernsey is administered by a Lieutenant-Governor and a Bailiff appointed by the Crown. The former has the right of veto on certain forms of legislation, and while he and the Crown officers may address the States Assembly neither he nor they are entitled to vote. By a law passed in 1910 the approval of the Lieutenant Governor and the Royal Court of the Island is required previous to the acquisition, of leasing or occupation of immovable property by aliens or alien companies. Guernsey despite its comparative smallness sends about 100,000 tons of granite, 29,000 tons of tomatoes, 1,300 tons of potatoes, 650 tons of fruit and 4,400 tons of flowers to the United Kingdom, while its registered shipping amounts to 33 vessels totalling 2,642 tons. Sir Havilland de Sausmarez, formerly Chief Judge of H. M. Supreme Court in China, was for a term Bailiff of Guernsey after his retirement. Major-General and Mrs. Telfer-Smollett will take with them, when they leave Shanghai for their new home, the best wishes of the many who have learned to like them so well.

## The Late Mr. Browett

The death on Dec. 14 at the ripe old age of 76 years, of Mr. Harold Browett, senior member of the Bar of H.M. Supreme Court, and a resident in Shanghai for fifty-one years, removes another of those links with old Shanghai, the number of which now is becoming all too small. He was what he called himself, a "family solicitor" of the old type, well read, learned in his profession, and gifted with an old-world courtesy which endeared him to all with whom he came in contact. His work did not bring him so often into court as other practitioners, but when he did appear he was quite able to give a good account of himself and his case. Browett was another of those men who not only delighted in his own work, but took a pride in serving the community. Thus on arriving in Shanghai he joined "B" Coy., S.V.C., with which he served for two years, after which he joined the reserves. He was one of the first to join the Special Police, remaining with them long enough to earn the long service medal. Up until comparatively recently he led a most active life in the service of Shanghai as a member of various committees where his long knowledge of local conditions often proved of the utmost value. Gifted with a quiet sense of humour he was most delightful when reminiscing on Shanghai, and his excellent memory made him a very useful source of reference, especially to some of the older newspapermen who remember well the courtesy with which he did his best to help them in their work. Indeed the whole of his life was dedicated to the service of his fellows, and amongst the many fine men, past and present members of the British Bar in China, Browett will always be remembered for the ungrudging manner in which he gave of his time to be of assistance in matters not immediately connected with his profession. Of late years he has, naturally, not been so active, but his interest in the doings of Shanghai was unflagging. Of his quiet acts of charity there are only a few who know, for he managed to keep such very much to himself, but there are many still in Shanghai who will remember with gratitude the manner in which he was always ready to extend a helping hand to those less fortunately placed than himself. His passing will be a very definite loss to the community.

## Career Cut Short

The news that Andre Shelaeff has come to so sudden and tragic an end as a result of his fight with George Salvadore in San Francisco will be read with very considerable regret by the large number of local boxing enthusiasts who had a very real regard for the lad's ability. Shelaeff, who was not yet in his twenties, started to make a name for himself in Harbin, and afterwards in Tientsin before coming to Shanghai. In this port he quickly established himself as an outstanding, big-hearted fighter, gifted with considerable hitting force, and readiness to receive as much punishment as he gave. Here he established an unbeaten record, and later proceeded to the Philippines where he also covered himself with credit. It was expected that when he went to the United States he would continue to do as well as he had done in the Orient, and indeed in his first appearances he did much to justify those expectations. There was certainly every promise that, once he had settled down to the vastly different technique of the fighters in the United States, he would continue to go far in his profession, but an unfortunate accident has blighted all those hopes. His performance on Dec. 12 was somewhat disappoting according to the cabled reports, and it is possible that he received his injury comparatively early in the bout which would probably account for his failure, and his inability to do better than he did against his opponent. Shelaeff was a good hard-fighting youngster and modest withal. He was always willing, and gave of his best when in the ring. He undoubtedly had much to learn in America, and it is possible that, at his age, he was forcing himself too much, though that, of course, must always remain a matter of opinion. His few appearances there did him infinite credit, and there was every reason to believe that had he lived he would have given a very good account of himself. As it is, an excellent young sportsman has gone, and in his going he will be regretted by the thousands in Shanghai who knew how to admire him for his excellent qualities.

BY SAPAJOU

**Excess Baggage**

## Shanghai Slandered

Of all the Japanese propagandist and anti-foreign publications which have flooded Shanghai in the last year or two "Shanghai," a new publication widely distributed through the post on December 16 is startlingly outstanding. It is expensively produced brochure using graphic photographs, excellent reproductions of paintings and coloured drawings including two gems from the autumn art season in Japan, cleverly designed picture diagrams satirizing the situation in China, articles on the Japanese position, ridiculing Chiang Kai-shek and on the seamy side of Shanghai and apparently with one intention—covering Shanghai with filth. A vivid surrealistic painting "This is Chiang Kai-shek True to Nature—Down to Inferno" is the obvious product of a perverted mind for all the symbols used in the creation of an extremely vague and incomprehensible idea leave little doubt regarding the inspiration. Another illustration is entitled "Shanghai. A Shanghai Girl and Policemen Dumping the Body of a Cholera Victim Into the River." This shows a nude white woman pulling on her stockings with the body dumping scene in the background. What the connection is cannot be perceived unless it has some sort of sadistic meaning. In a brochure which, technically, is one of the finest productions seen in this part of the world art and suggestion find equal prominence. In fact, it is so beautifully produced that the impression is that it is like a piece of rich brocade flung into a sewer to produce pollution. Here are a few sentences from the first article dealing with Shanghai, "a city of Shame."

> On any fine night let a Japanese walk along Nanking Road. The women that glide up to him softly and noiselessly are by no means ignorant that he is a man from an enemy country.
>
> Shanghai is also a city of cabarets and dance halls. In the daytime, men dance because it is teatime. At night, they also dance. It is exercise after dinner. Men thus hold women in their arms night and day.
>
> Pigs that speak Chinese, such are the Chinese of Shanghai. Their 4,000 years of tradition they have exchanged for scraps that fall from the table of the foreigner. O Shanghai, Shanghai! Foreign rights and interests cannot defend you from shells and bombs. O maggots bred in putrid wounds! Your crimes and immorality lack even the subterfuge of beauty.

Against this picture of Shanghai is the appeal to readers that "China, with its vast and inexhaustible natural resources, and the good and gentle Chinese people have come back from the dead under the guidance of new Government, which combine the new with the traditional spirit of East Asia." And to prospective advertisers there is another appeal to "Foreign Merchants in China" deeply underlined with a red smear symbolic of blood that "the Far Eastern Market, the Treasure-Trove of the World, has been set free to all. Seize this Golden Opportunity." In view of the closing of the Yangtze and the attempt to scrap the "Open Door" policy there may be a few sceptics but the advertising rates run up to $800 a page to those who believe the message. The publisher and editor is Mr. Ching Cong Kan, 76 Jessfield, which, it is understood, is not very far from the Japanese Special Service Section headquarters in that area. "Shanghai" is claimed to be printed in Shanghai but anybody familiar with the excellent results of colour printing in Japan knows better. Attention by the Municipal Police and a disavowal by the Japanese authorities of any connection with this publication in view of the desire to improve Japan's relations with other nationalities in Shanghai would be appropriate action to take in regard to "Shanghai."

## China Coaster's Tide Book

The 1939 edition of the China Coaster's Tide Book and Nautical Pocket Manual, to give it its full title, is off the press and within the next few days copies will begin to find their way into the hands of the large nautical community up and down the China Coast for whose assistance it is compiled and to whose service it is dedicated. Few publications in the world have gained the importance which this neat and compact volume has acquired during the many years of its existence. Its scope, which is modestly described as "containing matters concerning tides and tidal streams and a mass of miscellaneous information for the coast of China," is really extensive for it collates, classifies and tabulates information of Far Eastern ports of immense use to the seafarer. In fact, no other publication occupies so respected and prominent a place on the bridge of ships plying in these waters and to describe it as the "China Coaster's bible" is no act of irreverence for the part it plays in everyday life of China's shipping community. The latest edition is a volume of nearly 500 pages and in addition to bringing up-to-date all the valuable features on which the Tide Book bases its reputation, there is a revised plan of the Shanghai harbour, a description of the new system of typhoon signals in the Philippines and a summary of Shanghai Harbour notifications.

## Suez Canal Dues

*(Continued from page 486)*

been, canal dues should by now have been in the neighbourhood of 4s. 6d., a vastly different figure from the charges which are now being made after the latest reduction. There is, therefore, very much substance in the claims which have been made for a drastic alteration in the charges which are now being made. They could quite easily on the foregoing figures be reduced by 20 per cent. without doing any injustice to the Company, but conferring an enormous benefit upon ocean-going trade using the canal. Italy is not the only country which has protested against present scales, but the fact that she is now joining the ranks of the protestants merely serves to show how generally the charges are held in disfavour. How a material change can be effected, it is difficult to see, for as has already been pointed out the Company is well within its rights from the legal point of view, and may be expected to stick as firmly to its guns in the future as it has in the past. It might, however, be possible to show that with the incubus of present dues removed for something less onerous the canal might in time do an infinitely bigger trade, with corresponding benefits to the company as well as to its clients. In any event it is obvious that some change is necessary to alter conditions which discriminate against the European trade in the Far East, and thus permit some answer to the keen competition which Japan is putting up in this part of the world, which cannot be done effectively until these necessary reductions are made.

## From the Daily News Ads.

The Shanghai Navigation School has opened at 1 Yang Terrace.

The Easter term of St. Giles British School, Tsingtao, commences on January 20, 1939.

Mr. P. D. G. Gain, Hon. Trade Commissioner, Union of South Africa, has returned to Shanghai.

Messrs. Davies, Brooke & Gran, architects, surveyors and civil engineers, have removed their offices to 49 Szechuen Road.

Messrs. Kelly & Walsh, Ltd., have declared an interim dividend of $0.50 per share for the year ending February 28, 1938.

Owing to the Christmas holidays the Shanghai Stock Exchange's usual Monday's settlement day has been postponed till Thursday, December 29.

Advertiser wishes to get in touch with responsible party going to Europe willing to take care of girl, twelve years old, to Marseilles. Box 3572, NCDN.

Messrs. James Magill & Co., Ltd., will pack and ship exhibits for the New York World's Fair in 1939 and the Golden Gate International Exhibition at San Francisco.

Creditors and debtors of the late Percy Sydney Godfrey are requested to furnish particulars of their claims or debts to Messrs. Platt, White-Cooper & Co., Shanghai.

The Ewo Cotton Mills, Ltd., have declared an interim dividend for the year ending December 31, 1938, of $0.75 per share, payable to shareholders on register on December 30, 1938.

To accommodate residents of the Hungjao area west of the railway during the festive season, the present passes will be valid as all night passes from December 20 until January 6.

Persons having claims against the estate of the late Amanda Amelia Weekes who died on February 16, 1934, should send particulars to Messrs. Ellis & Hays, 137 Peking Road, solicitors of Mr. Ernest Alfred Weekes, administrator of the estate.

The directors of Messrs. Wheelock & Co., Ltd., have declared an interium dividend of $2.50 per share for the year ending March 31, 1939, payable to shareholders on register on January 16, 1939.

The sole agency for China and Hongkong for the distribution of medicines and proprietary articles has been transferred from Messrs. Mustard & Co., Ltd., to Messrs. Jardine, Matheson & Co., Ltd.

Persons having claims against the estate of the late Alice Brierley, who died on March 17, 1938, are requested to send particulars to Messrs. Ellis & Hays, solicitors for John Alexander Turner, the executor of the estate, at 137 Peking Road, Shanghai.

The San Sing Properties, Ltd., for whom Messrs. E. D. Sassoon & Co., Ltd., are general managers, have declared an interim dividend for the year ending March 31, 1939, of $0.60 per share, payable to shareholders on the register on December 23, 1938.

A resident assistant mistress is required in January for Second Form in St. Giles British School, Tsingtao,. Apply in writing, giving qualifications, experience, references, salary required, to L. C. Healey, Educational Dept., Shanghai Municipal Council.

Persons having claims against the estate of the late Hugh Alexander Morrison, formerly ship's officer with the China Navigation Co., Ltd., who died on May 19, 1938, near Chungking, are requested to send particulars to Messrs. Platt, White-Cooper & Co., 83 Peking Road, Shanghai.

Effective with steamers clearing Customs on and after December 15, 1938, the lighterage surcharge on cargo from Shanghai to Tientsin will be increased to $2.80 nett per Bill of Lading ton, and on the same date a winter surcharge of 15 per cent. will be charged on all cargo from Shanghai to Tientsin.

The "North-China Daily News" mailed to you in China and Japan every day of the week, $16 a half-year; the "North-China Herald," $18 a year. Important events happen quickly both in China and abroad, so quickly that few residents in the Far East can afford to wait a week for the news. A note to the Secretary of the "North-China Daily News," 17 The Bund, Shanghai, asking for a sample copy incurs no obligation and will be appreciated.

The General Managers of Ewo Cotton Mills, Ltd., have decided to issue 150,000 new shares of a par value of Tls. 5 at an issue price of $14 per share. These new shares will be offered to shareholders on the register at December 30, 1938, in the proportion of one new share to eight existing shares. The latest date for acceptance of the new shares by shareholders resident in the Far East will be January 25, 1939, and to enable shareholders resident elsewhere to participate in the issue, the date will be extended for their benefit to March 2, 1939.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## NEWS FROM THE INTERIOR

# Optimistic Chinese Outlook

### Situation on Various Fronts Give Rise to Singular Optimism States Commander

Chungking, Dec. 14.

The Japanese forces on the East River, east of the Canton-Kowloon Railway, are withdrawing towards the railway, while troops are being shifted to the West River sector in preparation for an invasion into Kwangsi, according to Chinese dispatches.

The reports state that the Chinese east of the Canton-Kowloon Railway are at present advancing on Tsengchen.

The Japanese are said to be concentrating in the vicinity of Samshui, while the Chinese are tightening up their defences in the vicinity of Chaoching and Wuchow, on the West River. and also at Pakhoi, on Tongking Bay.—Reuter.

#### Communications the Objective

Chungking, Dec. 14.

Japan's present objectives in North and South China are the means of communication with the outside world, it is stated today in a Chinese military bulletin.

In South China, the terminus of the Canton-Samshui railway is being used as basis for the operations in Kwangsi province and it is assumed that the principal objective is the highway running through the province. The town of Wuchow on the Kwangsi-Kwangtung frontier, about 250 kilometres west of Canton, is the immediate objective of the Japanese offensive but the Chinese have thrown up strong fortifications which, they believe, will hold up the Japanese. At the same time the Chinese are undertaking a counter-offensive in the direction of Canton in order to hamper the Japanese, Chinese circles declare.

Chinese military quarters report strong Japanese troop contingents near Suiyuan, the intention being—according to the Chinese—to advance towards the west and attack Shensi and Kansu provinces as soon as the Yellow River is frozen over.—Trans-Ocean.

#### Planes Bomb Kienli

A Japanese Army Air Base, Dec. 14.

Japanese army aircraft, flying in a formation of 30, raided Kienli, an important town 50 kilometres north-west of Yochow on the Yangtze, this morning and launched a surprise attack on about 5,000 Chinese troops. The Chinese suffered heavy losses in bombing and strafing and were routed westward in disorder.

The raiders scored direct hits on military establishments and godowns which were demolished and set on fire.—Domei.

#### War Minister Reports

Tokyo, Dec. 14.

Lieut.-Gen. Seishiro Itagaki, Minister of War, presented to the Privy Council this morning full details on the military operations and the situation in the occupied areas in China.—Domei.

#### Chinese Optimistic

Chungking, Dec. 15.

The military situation on the various fronts gives rise to singular optimism, declares the Commander-in-Chief of the Chinese forces on the South Bank of the Yangtze River, who is at present visiting Chungking, in a statement made today.

"Anyone who visits the front," the C.-in-C. declared, "cannot fail to feel optimistic concerning the future military situation, as the morale of the Chinese soldiers is extremely high.

"Every Chinese soldier is eager to revenge the wrongs and sufferings inflicted upon his family and his countrymen as a result of the Japanese invasion. The power of the Japanese fire has decreased noticeably recently.

"Hitherto, the Japanese always adopted the same tactics, that of subjecting the Chinese line to the heaviest artillery and aerial bombardment, and using masses of tanks, before sending the infantry over the top, with the result that frequently the Chinese lost their lives in their positions without even the opportunity of facing the Japanese.

"As the Japanese fire has slackened considerably of late, the Chinese have obtained the opportunity of meeting the Japanese in hand-to-hand fighting.

"The spirit of the Chinese veterans is indeed admirable.

"When the Japanese fire is too heavy to withstand, they fall back slightly, but as soon as the firing slows down, they immediately return to their original position, and try to advance if possible.

"The determination of the Chinese soldiers to fight the Japanese grows daily; in addition, the Chinese soldier has benefitted by his experiences, and is also improving daily in fighting technique.

"It is undeniable that our troops have suffered heavy losses, but our fighting strength is by no means affected."—Reuter.

#### Attack on Pakhoi

Tokyo, Dec. 16.

Anticipating a Japanese attack on Nanning, capital of Kwangsi province, through Pakhoi on the Tongking gulf in a drive to interrupt the Chinese arms route through French Indo-China, Gen. Li Tsung-jen and Gen. Pai Chung-hsi have ordered the destruction of all bridges in western Kwangtung province and the border region between Kwangtung and Kwangsi, according to a report reaching here today from Hongkong.

Inhabitants of Pakhoi were said to be panic-stricken.

Destruction of the Sunning railway under orders from Gen. Chiang Kai-shek was reported in another message from Canton, while the motor road between Canton and Wuchow by way of Chaoching also was said to have been blown up at several points.

This was apparently done to safeguard Wuchow, on the eastern border of Kwangsi, before the arrival of the Japanese forces.

Chinese troops in this area, the report claimed, were so poorly equipped that their numerical strength was now reduced to about 150 and only one-fifth of the soldiers were with rifles.—Domei.

#### Chinese Withdrawing

Hankow, Dec. 16.

Large-scale withdrawals westward of Chinese troops in the Suihsien and Kingshan sectors in west Hupeh were reported here today by Japanese military obsrvers as a result of aerial reconaissance.

These Chinese forces were said to be evacuating the area together with their supply trains.—Domei.

#### Chinese Bombed in South

Shanghai, Dec. 16.

Japanese naval planes carried out reconnaissance and bombing flights over Samshui, west of Canton, in Central Kwangtung and Yeungkong, on the sea coast and in south-western Kwangtung on Tuesday, according to a communiqué issued by the headquarters of the Japanese China Sea Fleet yesterday afternoon.

The raiders bombed godowns, junks and Chinese positions, causing considerable damage, the statement said.

#### Japanese Comb Railway

Shanghai, Dec. 17.

Japanese naval bombers, on a patrol assignment along the Canton-Hankow railway on Thursday, attacked areas south of Shakow and Hotowyu stations, destroying tracks and demolishing stationary freight cars, a naval spokesman in Shanghai claimed last night.

#### Chinese Yochow Offensive

Chungking, Dec. 19.

The Chinese started an offensive in the region of Yochow, according to the "Ta Kung Pao" today. The Chinese have advanced as far as six kilometres from Yochow, the report claims which adds that the Japanese are fortifying their defence positions in and outside Yochow. The "Ta Kung Pao" opines that the number of Japanese at Yochow is too small to resist the Chinese so that they will have either to retreat or to receive reinforcements within the next few days.

Further reports speak of attacks by Chinese irregulars on Hwangchow, east of Hankow. Details are lacking but the Chinese claim that the irregulars reached the vicinity of the town and that the Japanese had to ask for reinforcements.

The Japanese troop concentrations on the West River, west of Canton, are giving more freedom of action to the Chinese north and east of the Kwangtung capital.

The expected Japanese push into Kwangsi province has not yet taken place, the only indication of such intentions being Japanese troop concentrations near Samshui.—Trans-Ocean.

#### Offensive at Hangchow

Chungking, Dec. 19.

With the distribution of the Chinese troops completed ready for the new strategy of "entire area" warfare, in which the control of whole areas, rather than points or lines, will be attempted, it is understood that the Chinese forces in Chekiang and Anhwei are shortly to launch an offensive against the Japanese at Hangchow.

Chinese guerilla forces are reported to be most active on the Kiao-tsi Railway, which runs between Tsingtao and Tsinan. Guerilla bands are also reported to be attacking the railway in the vicinity of Lingtze, Sintieng and Chinling.—Reuter.

## Japanese General Issues Defiance

Canton, Dec. 13.

Lieut.-Gen. Rikichi Ando, commander-in-chief of the Japanese forces in South China, invited Gen. Chiang Kai-shek to uphold his honour as a soldier in a decisive battle in a written challenge made public here yesterday.

"You are showing us your back, pretending that it represents what you describe as 'protracted resistance,'" the challenge read in part, according to a communiqué issued by Japanese headquarters yesterday. "Such behaviour, however, invites only contempt and is not in keeping with a soldier's honour.

"Should you meet defeat, you had better beg the forgiveness of your ancestors and dispose of yourself in a manner worthy of a soldier after having apologized to the Chinese people for your misdeeds.

"You deserve a thousand deaths for the maladministration that has poisoned your country and the misery and distress you have brought upon its people," Lieut.-Gen. Ando stated.

The challenge recalled that the Japanese forces had used only "one or two battalions" to capture Canton itself after a spectacular advance from Bias Bay "that surprised the world."

In subsequent consolidating operations, the Japanese troops had liquidated thousands of Chinese soldiers of the 153rd and 150th Divisions in areas south of the East River, Lieut.-Gen. Ando declared.—Domei.

## New Japanese Combines For North China

Peiping, Dec. 15.

Two firms, destined to play a major part in the economic development of North China, will soon come into being here and at Shihchiachwang, important Hopei railway junction.

One is a Y.10,000,000 cement firm, sponsored by the Japan Cement Manufacturers' Guild, which will subscribe half of the necessary capital. Plants are expected to be created outside Peiping and at Tsinan, Shantung.

The other is a Sino-Japanese cotton syndicate, also capitalized at Y.10,000,000, at Shihchiachwang. Both Chinese and Japanese buyers will participate in this combine which will deal with raw cotton.—Domei.

## Journal Repudiates Surrender Talk

Chungking, Dec. 12.

Under the heading, "Peace of Surrender and Peace of Slavery," the Ta Kung Pao," an influential Chinese daily newspaper, in a leader today, declares:

"Since the Sino-Japanese hostilities were started, we have often heard the remark that we want 'peace with honour' and not 'peace in humiliation.'

"However, this is not a true picture of the situation since, today, even if we want a 'peace in humiliation,' we cannot get it.

"What Japan wants is a peace of surrender and slavery."

In conclusion, the paper urges the Chinese populace not to be misled by Japanese propaganda but to continue in their resistance, for "unless the Chinese resist to the end, there can never be a 'peace with honour' for China."—Reuter.

## Travelling Passes for North China Planned

Peiping, Dec. 12.

The Peiping Police Bureau has made known, with the approval of the Municipality, a set of regulations concerning the issue of travelling visas.

These passes will be issued to facilitate identification of travellers. Seven days before starting, intending travellers must send in applications and give various particulars. A fee of 50 cents is charged for every pass.

Among the particulars to be given are name, address, profession and the purpose and time limit of intended trips. Should the movements of travellers be found not in keeping with those furnished in the particulars a fine of not less than $5 and not more than $15 will be imposed on offenders.—Reuter.

# Japanese Clean Up Guerillas

### Wide-spread Drive from Nanking Said to Have Been Successful; Chinese Destroy Bridges in South

Shanghai, Dec. 16.

JAPANESE forces garrisoned at Nanking have been engaged in a widespread drive against 6,000 guerrillas north of the Yangtze since midnight of December 11, Japanese Army and Navy spokesmen stated yesterday evening.

In battles in this area the Chinese have lost about 250 dead up to the present time, while Japanese casualties were four slain, including an officer, non-commissioned officer, and 10 wounded, the spokesmen said.

Operating from a base at Tienchang at the southern tip of Lake Kaoyu, the guerrillas had occupied Icheng, Kanchuanshanchen, Liukiatsi, Yuehtangtsi, Makiatsi and Tayikieh, north of the Yangtze and had been firing on Japanese ships moving up the river.

The Japanese forces attacked the guerrillas from several directions, launching their main drive on the Chinese positions at Kanchuanshanchen, and in the vicinity of Tayikieh.

Army units assisted by naval aircraft captured Fengsien, Nanhwei and Fengsiencheng on Wednesday and Thursday in mopping-up operations against about 6,000 guerillas south of Shanghai, the spokesmen said. Capture of Fengsiencheng on Thursday morning almost completed the operations in this area, they stated.

#### Encircling Drive

An encircling drive was started from Kinshanwei, Kinshan, Sinchwang, Tangkiang and Chwansha. Giving "effective co-operation" to the land forces, the naval command dispatched warships to the Whangpoo and Hangchow Bay and cut off the Chinese retreat, the naval spokesman declared.

Chinese casualties were given as 400 dead. Japanese losses were one killed and 10 wounded, the army spokesman claimed.

Ten trench mortars, 40 machine guns, 200 rifles and 6,000 rounds of rifle ammunition were captured.

Japanese troops of the Shanghai-Hangchow garrison on November 8 started a five-day drive against 20,000 guerrillas armed with light machine guns which had been harassing Japanese forces from the rear in the vicinity of Nansinchen, Wuchen, Tehtsing and Tsungteh, the spokesmen stated.

The Japanese main force launched an encircling drive from areas north of Hangchow, Tehtsing Huchow and Nansinchen, and from areas south of Wangkiangking and Tsungteh. The Chinese were "almost annihilated," the spokesmen claimed.

Chinese losses were 600 dead, they stated. The Japanese captured 20 trench mortars, 60 machine guns, 350 rifles and a large amount of rifle ammunition.

Japanese casualties were announced as three dead and 12 wounded.

#### Cleared

Shanghai, Dec. 14.

Kashing, an important city on the Shanghai-Hangchow Railway, and various villages in that district, have been cleared of Chinese guerillas as a result of mopping-up operations by "Reformed Government" troops begun on December 9, according to a Chinese report yesterday.

A number of booms placed by these guerillas across creeks in the district were removed several days ago by the First District Detachment of the Kiangsu and Chekiang Bandit Suppression Force, thus greatly facilitating the movement of the steam launches operated by the force.

Until recently Wucheng and another village to the west of Kashing were infested by guerillas, the report stated.

#### Shansi Leader Surrenders

Tokyo, Dec. 15.

A Chinese guerilla leader named Yuan Chen-fang and his 1,500 men who had been operating in southern Shansi province surrendered to the Japanese garrison at Hanyangchen, according to a communiqué issued by the War Office today.

The guerillas were armed with one howitzer, one heavy machine gun, 17 light machine guns, and 1,400 rifles, the communiqué said.—Domei.

#### Guerrilla Centres Raided

Peiping, Dec. 16.

Continuing their attacks on the bases of Chinese guerrillas and Communist forces in North China, Japanese army aircraft raided Ishui in south-eastern Shantung, Yenan in northern Shensi, Wulannaopao in south-western Suiyuan, and Tahingkung in central Suiyuan on Wednesday, according to dispatches received here last night.

One army unit carried out a surprise attack on Chinese troops under Kao Shu-hsun concentrated in the vicinity of Ishui, south of Tsingchow, and routed them with severe losses, the message said.

Another unit bombed Yenan, one of the Red cities in Shensi, and, showering tons of bombs on military establishments there, caused heavy damage. All the planes returned to their bases safely.

The raiders "almost annihilated" troops massed at Wulannaopao, and inflicted heavy losses on about 300 troops at Tahingkung, the message stated.—Domei.

#### Dispersed

Tokyo, Dec. 17.

Remnants of Chinese regulars and guerillas numbering about 8,000 were dispersed at various points in North China by Japanese forces from December 11 to 14, according to a dispatch from Peiping last night.

The Yoshizawa detachment based at Hiunghsien in Hopei on December 12 "crushed" about ,1,500 guerillas in a clash about six kilometres south of the town, the message said. The Chinese left 140 dead, the report claimed.

Several thousand guerillas were attacked and routed by a Japanese detachment west of Weishan Lake near the border of Shantung and Kiangsu, north of Hsuchow, December 12, the dispatch stated.—Domei.

#### Japanese Captures

Nanking, Dec. 18.

About 3,500 Chinese guerillas and bandits were routed by three Japanese detachments in the Liuho and Tienchang areas north of the Yangtze in a week's drive which started on December 8, Japanese military authorities here announced last night. The Chinese fled to the northwest, leaving 330 dead, the statement claimed. The Japanese captured one light machine gun, 70 rifles and 130 hand grenades.

Some 1,500 Chinese soldiers styling themselves members of an anit-Japanese "Self Protection Corps" have been active in the Liuho district, 65 kilometres northwest of Nanking. In the vicinity of Tienchang, 150 kilometres northwest of here, approximately 2,000 guerillas and bandits have been operating for some time. These two groups were dispersed in mopping-up operations and order has been restored in the districts, Japanese military authorities here claimed.

In a two-drive south of Wuhu a large number of remnants of the former 144th and 145th Divisions were scattered with heavy losses, the statement further declared. A Japanese detachment carried out mopping-up operations on December 10 and 11 against the troop remnants, which had been operating around Sanshanchen, Shihweichen and Kweitanchen, about 10 kilometres southwest of Wuhu. The Chinese retreated southeast toward Nanling, leaving 326 killed, according to the statement. Booty included 53 rifles and 110 hand grenades.

A message from military authorities in Peiping stated that more than 4,000 Chinese regulars and guerillas were defeated and scattered by Japanese detachments in mopping-up drives in southern Shansi during the past few days.

Remnants of the 40th, 41st and 42nd Regiments of the Seventh Division were "almost annihilated" in a clash on a height southeast of Yenchangchen, 15 kilometres northeast of Siahsien in southern Shansi, the dispatch claimed. Approximately 2,000 Chinese troops of the 68th and 70th Divisions of the Shansi army were ambushed on the Ishih-hsien-Liulinchen Highway and routed early Wednesday morning, according to the message. The Chinese left 306 dead.

About 1,000 troops of the 65th Division commanded by Gen. Liu Mao-en were defeated with heavy losses in a battle near Nanhan on the east bank of the Feng River on Thursday, the dispatch continued. A squadron of planes assisted the Japanese detachment. The Chinese column was attacked while marching westward from Yicheng-hsien, 10 kilometres southeast of Linfeng in southwestern Shansi.—Domei.

## Manchoukuo Budget Figures Set

Changchun, Dec. 16.

Manchoukuo's total expenditures in the general budget for the fiscal year 1939-40 was set at Y.403,000,000 today. The estimates will be submitted for formal approval to the Council of State Affairs which convenes on December 19.—Domei.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## Port of Ningpo is Closed Again

Shanghai, Dec. 14.

Ningpo is now again closed to shipping by Chinese military authorities causing many Shanghai steamers flying foreign flags to suspend sailings. Four steamers which were only recently granted permission to sail to the district have cancelled their sailings and other steamers which were to leave for Ningpo in the next few days will also have to postpone their sailings.

It is learnt that the closing of the district is temporary this time and that it is not because of military necessity as it was in previous cases. Chinese authorities have recently enforced a set of new regulations governing the navigation between Shanghai and the Chekiang coast requiring all steamers to renew their registration and to obey new rules in connection with the transportation of cargo and passengers. The closing of the district may therefore have something to do with the new procedure, it is learnt.

Although not closed, retrictions are placed on shipping in other Chekiang coastal districts. For instance, the Chinese authorities in Haimen only allow two steamers to go daily to that district which leads direct to Taichow. In this connection, managers of steamship companies in Shanghai are reported to have met and discussed the question of priority in sailings in order to avoid sailing three boats to the district.

The Chinese high command has deemed it necessary to enforce new regulations because of the irregularities in carrying out restrictive rules by the former garrison commander who was recently shot. His subordinates are alleged to have organized shipping firms themselves in competition with merchant vessels.

## Buying in Interior is Complicated Affair

Shanghai, Dec. 14.

Chinese reports reveal that cargo transportation from the interior in Chekiang and Kiangsu to Shanghai is much handicapped by the Japanese control of communications which, in turn, has caused prices of imported goods from the interior to go up. Although in Shanghai the supply can meet demand, prices have been doubled, the reports state.

Shanghai has been depending on the interior for the regular supply of rice, vegetables, fish, shrimps, chickens, ducks, fire-wood and grass. Although merchants have kept this city supplied with these things, they have suffered from the increased freight and are forced to increase their prices when marketing their goods in Shanghai.

Besides obtaining shipping permits from the Japanese, the merchants buying things for Shanghailanders must also arm themselves with "purchase certificates" entitling them to buy things in the interior. Merchants in the interior who wish to come to Shanghai to sell their goods must also have their "transportation certificates" issued by Japanese authorities in occupied districts.

Japanese-managed transportation firms are stated to have sprung up "like spring bamboo shoots after rain." They number about 20 in Shanghai and they are alleged to be offering exceptionally high prices for their services.

## Foreigners in Shasi Undisturbed

Ichang, Dec. 13.

Shasi is reported to be quiet, and there is little business being transacted. The flow of troops through the town has ceased. None of the foreigners in Shasi has moved out.

They are:—J. Mackay, of the Hankow Press Packing Co.; J. K. Wilson, of Messrs. Butterfield & Swire; the Rev. J. E. Olsson, and Mrs. Olsson, the Rev. F. A. Wennborg, and Mrs. Wennborg, and the Rev. Carlstrom, of the Swedish Mission; and several American members of the Roman Catholic Mission.—Reuter.

## Need for New Order in Asia Emphasized

Peiping, Dec. 14.

The need for the creation of a new order in Asia, based upon Sino-Japanese amity, was stressed in a radio address by Mr. Wang Keh-min, chairman of the Executive Council of the "Provisional Government," here last night.

The significance of the formation of the "Reformed Government," which celebrates its first anniversary today, was outlined by Mr. Wang who pledged himself to the creation of a new China.—Domei.

**Where Foreigners Were Evacuated**

*Lieut. J. B. Cox, Executive Officer of H.M.S. Cockchafer, photographed with Japanese Army officers behind the Japanese lines at Lushan. Lieut. Cox escorted the 41 foreigners from Kuling to the bottom of the mountain through Chinese and Japanese lines.*

## Peiping Beflagged For Anniversary

Peiping, Dec. 14.

Peiping was beflagged today on the occasion of the first anniversary of the "Provisional Government" on China.

Balloons trailing streamers in the five national colours floated lazily in a cold, winter sky, while street cars, motor cars and buses all flew five-barred flags.

A Government-sponsored mass celebration was held from 11 o'clock in the morning at the Grand Ceremonial Hall, while the various ministries and the municipality also observed the occasion with ceremonies.

Government officials paid calls at Japanese military and naval headquarters during the day.

Japanese and Chinese schools staged festivals with special entertainment provided by the pupils.—Domei.

### Searches

Tientsin, Dec. 15.

Elaborate celebrations were held in the Japanese area of Tientsin yesterday, on the occasion of the first anniversary of the formation of the Peiping "Provisional Government," which was proclaimed as a holiday. Numerous official functions were held.

Chinese and Japanese officials exercised the most extensive precautions, including the holding up of all traffic entering and leaving the Japanese area, and the French Concession.

All passengers and pedestrians were searched, and had to discard cigarettes and matches before approaching the barriers.

There was an unprecedented traffic jam, but no incidents were reported.—Reuter.

## *Suffolk Quarantined At Weihaiwei*

Weihaiwei, Dec. 16.

The British 10,000-ton cruiser Suffolk was quarantined following her arrival yesterday with two cases of smallpox on board. The infected persons have been sent to the Naval Hospital.—Reuter.

## New Air Line Formed In China

Peiping, Dec. 18.

Designed to provide high-speed transportation throughout the Japanese-occupied areas in China, the China Aviation Company, capitalized at Y.6,000,000, came into being here today. Shareholders in the new firm are the Japan Aviation Company; the Hui Tung Aviation Corporation, a Sino-Japanese concern active in North China, and the Provisional, Reformed and Mongolian regimes.

The new firm will operate lines radiating out of Shanghai and Peiping, taking over the routes now being maintained by the Hui Tung and Japan Aviation companies. Douglas, Lockheed and Nakajima machines will be used.—Domei.

## Match Sales Controlled In North China

Peiping, Dec. 17.

The National Match Sales Co-Operative Association, which will be formally inaugurated next spring, has its temporary office on the 4th floor of the Chung Yuan Department Store in the Japanese Concession in Tientsin, according to Chinese press reports.

The Association, which will exercise control over the sale of matches in North China, has the support of the Ministries of Finance and Industries, of the "Provisional Government."

Two Japanese officials of the Association are now conducting a two-months tour of inspection of Tsinan Tsingtao, Shanghai and Taiyuan, to inspect the general conditions of the match industry in these places.

Upon the inauguration of the Association, all match factories in places under the rule of the "Provisional Government" will be asked to join. It will not permit the establishment of new match factories and production will be regulated and prices standardized.—Reuter.

## Air Raids Do Little Damage in Ichang

Ichang, Dec. 14.

Ichang is gradually returning to normal conditions. A great deal of small trading is being carried on much of it proceeding in the side streets, but none of the big business houses, which closed down, have yet re-opened. Recent air raids have proved of minor importance, and have caused practically no damage.—Reuter.

## South China War Tactics

FROM OUR OWN CORRESPONDENT

Hongkong, Dec. 12.

At present the Japanese forces hold less than one-eighth of Kwangtung province from Bias Bay to Canton and along the Canton-Kowloon Railway. New guerilla forces are being formed under Gen. Yeh Ting, who will follow similar tactics as the 8th Route Army operating in Shansi, Hopei and Jehol.

Guerilla forces along the Canton-Kowloon Railway and the East River were scattered by the Japanese in mopping-up operations They were poorly trained and equipped by Gen Yu Han-mou, head of the Kwangtung army, who utterly failed to put up a defence of Canton. Not knowing where to find General Yu or to get supplies from him, the guerillas are hiding in the mountains to escape annihilation.

The advancing Chinese forces from the north are reported to be south of Tsunghua, the hot springs resort, about 30 miles north of Canton. A state of emergency in Canton today lends credence to the reports that the Chinese troops are not far away, although the Japanese have brought up considerable reinforcements to stem the Chinese advance from the north and to push to Kwangsi province via the West River.

## Nanking Celebrates Its Capture

Nanking, Dec. 13.

Nanking today observed the first anniversary of its fall into Japanese hands as more than 3,000 Japanese residents assembled at a celebration held at 11.30 o'clock this morning in the Japanese elementary school building.

Shinto rites were held in memory of the Japanese war dead. Following the services, the residents assisted in decorating the graves of fallen Japanese officers and men, while visits were made to the sick and wounded at the Japanese military hospitals.

The celebration was marked by a parade by the Japanese military band through the streets of the city in the afternoon.

Rapid strides made by the city towards restoration were indicated in the growth of Nanking's population to 500,000 during the past year. The increase doubled the number of inhabitants here a year ago yesterday. It is one-half the population prior to the outbreak of the hostilities.

### Large Stores Opened

Large stores have been opened along the main thoroughfares. These include department stores under Japanese management. Chinese elementary schools are also in session in various parts of the city.

Fishermen squatting on the banks of creeks and lakes which are scattered around the city walls reflected the peaceful atmosphere that pervaded Nanking today.

The only reminder of the fierce siege laid to the city a year ago were the innumerable bullet and shell marks that have scarred the city walls.

The "Reformed Government" now maintains its headquarters here.

Reminiscences of the battle of Nanking were exchanged by those who witnessed the fall of the city this day last year in a novel round-table conversation sponsored by the Nanking Radio Broadcasting Station which put it on the air for relay to Japan.

### Conscription Suggested

The establishment of conscription and the training of a regular Chinese Army under the "Reformed Government" to complete the work of restoring peace and order started by the Ministry of Public Peace was proposed today by Mr. Jen Yuan-tao, Minister of Public Peace and former Mayor of Nanking, in the course of a speech commemorating the first anniversary of the fall of Nanking.

Mr. Jen stated that at the outset the monthly revenue was $8,000 while the Municipality incurred a debt of $40,000. The revenue soared to $250,000 while the debt was paid off by October 5 at the time he relinquished his position as Mayor. Since then, Mr. Jen noted that the monthly revenue was still on the increase.

"The people of Nanking are at present devoting themselves to their vocations in perfect peace of mind now that they have come to understand the enterprising plans and the spirit of the Reformed Government and the true purposes for which Japan has dispatched its expeditionary forces here," he said.—Domei.

### Chungking Not Downhearted

Chungking, Dec. 13.

The Chinese press published this morning special editions, on the occasion of the first anniversary of the fall of Nanking.

The Nanking Residents' Association are to hold a mass meeting this afternoon. The Chinese press unanimously declares:—

"Since the fall of Nanking, and other cities like Hsuchow, Canton and Hankow have been lost.

"Our hearts are in deep sorrow, but our determination to resist the Japanese invasion has not lessened, nor has our confidence in our ultimate victory, and our recovery of the lost capital."—Reuter.

## "Sympathy Week" to Be Held in Peiping

Tokyo, Dec. 17.

"Sympathy Week" will be observed in Peiping starting tomorrow when the Chinese and Japanese women's societies, including Buddhist and Christian organizations, jointly launch a city-wide campaign to raise funds for the relief of the poor, a message from Peiping said today.

Old clothing will be collected and charity theatrical performances are scheduled for the week.

Madame Wang Keh-min, wife of the Chief Executive of the "Provisional Government," and Madame Sakatani, wife of the Japanese adviser to the Federal Reserve Bank, are taking a leading part in organizing the charity movement.—Domei.

## Travellers' Funds Limited

Peiping, Dec. 17.

The Executive Commission of the "Provisional Government" has issued a circular order to various provincial, municipal and district governments, under its jurisdiction, concerning travellers funds.

The Tientsin Municipality has recently petitioned the "Provisional Government" asking for instructions concerning steps to be taken with regard to the old legal tender notes that passengers coming to North China carry.

It says that reports have reached the Tientsin Municipality that old legal tender notes carried by north bound passengers have been confiscated at Tangku, which in the opinion of the Tientsin Municipality, is "arbitrary action taken without good reason."

After careful consideration, the Ministry of Finance, to which the petition has been referred by the Executive Commission, has decided on the following measures:

Firstly, no limitation will be imposed on travellers who bring bank notes whose circulation has been authorized in North China, if they can furnish proof that they are travelling between places under the jurisdiction of the Provisional Government.

Secondly, the amount that travellers are allowed to bring in or take out of Bank of China and Bank of Communications notes, bearing Tientsin, Tsingtao, Shantung, Tsinan, Chefoo, Lungkow, Weihaiwei and Linching as places of issue, is $500. For amounts over that figure a permit from the "Provisional Government" is required.

Thirdly, passengers are allowed to bring $1,000 in Japanese and Manchoukuo notes.

Fourthly, the entry of old legal tender notes bearing Central China and South China places of issue is strictly prohibited. Should passengers bring such notes into North China they will not be confiscated, but the notes will be detained and a receipt given by the Customs authorities at the port of landing.

Such funds will then be sent back to the original port of embarkation and, later, the owners may claim refunds from the Customs authorities there.

Notes carried by passengers in defiance of the above measures will be liable to confiscation.—Reuter.

## Coal Corporation Formed For Szechuen

Chungking, Dec. 18.

Under the chairmanship of Mr. Oong Wen-hao, Minister of Economic Affairs, a corporation has just been formed, with a capital of $1,200,000, for the development of coal mines in south Szechuen Province, in the vicinity of Chienwei, Loshan and Pingshan.

Mr. Tang Tse-chang, the manager of the new Corporation, will leave Chungking tomorrow for the site of the mines, where he will start operations. It is estimated that, in six months' time, a coal output will be possible, with a daily capacity of from 500 to 2,000 tons.—Reuter.

## New Highway Planed For North China

The Japanese authorities in North China are putting into execution a four-year plan for the construction of a highway net in North China with Peiping as its centre and a total mileage of 10,000 kilometres, according to Chinese reports.

Before the end of this year a highway will be built between Peiping and Chochow, on the Kinhan railway, which will be extended ultimately to Shihchiachwang and then to Taiyuan.

Another highway to be built will link Peiping with Tsinan, and it is expected that before the end of this year work will be completed on the Peiping-Huangtsun section. Huangtsun is a station east of Fengtai.

A third railway in contemplation links Peiping with Kupeikow. The section between Peiping and Huaijo, in north-east Hopei, is expected to be completed before the year is out.—Reuter.

## American Ambassador Leaves for Home

Chungking, Dec. 16.

Mr. Nelson T. Johnson, the American Ambassador to China, left Kweiyang, the capital of Kweichow, yesterday, by car, en route to Kunming, the capital of Yunnan. From Kunming, the Ambassador will proceed to Washington, via Europe.—Reuter.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

*NEWS FROM THE INTERIOR (continued)*

# Tientsin Foreigners Worried

## Extension of Japanese Control Causes Fall in Business; Japanese Encroach on Concessions

FROM OUR OWN CORRESPONDENT

Tientsin, Dec. 4, 1938

IN addition to the difficulties and restrictions of their trade, both actual and threatening, the foreign communities of Tientsin are much worried over the general situation with regard to the British and French Concessions, and their fate in the near future. An atmosphere of foreboding seemed to be hanging over the port.

In August last, in accordance with orders issued by their military authorities, Japanese residents began to move out from the two concessions in large numbers. And the ensuing excitement and irritation came to a head in the riots of a Japanese mob against the French authorities, which culminated in the invasion of the French Municipal offices. However, after a time things quieted down again; it was given out, doubtless in reply to official enquiries at Tokyo, that no official orders had been issued for the evacuation of the British or French concessions; and after a considerable number of Japanese, including the Consul-General, had actually transferred their residence from the Concessions, the exodus gradually ceased.

The local Japanese newspapers, inspired no doubt by military circles, made no secret of what all the trouble was about and what they believed to be their grievances against the two Concessions. They put forward three main grounds of complaint. Firstly, the Concessions were accused of giving shelter to Chinese guerrilla leaders who, from the safety of these neutral areas, conducted the operations of their bands. Secondly, the Chinese banks holding the remaining reserves of silver belonging to the National Government keep these stocks in their premises in the two Concessions and refuse to hand them over to the Japanese who require them, as they say, in order to build up a reserve for the new currency in North China. Thirdly, the refusal of the foreign banks to recognize the Federal Reserve notes or to sell foreign currency in exchange for them, an attitude that they are only able to adopt because they operate in the Concessions.

### Minor Complaints

There were other minor complaints, but these are the main charges. And in the course of certain private meetings with leaders of the foreign communities the Japanese are said to have hinted that unless they were granted joint police control in the Concessions, the silver reserves were handed over to them, and the Federal Reserve notes recognized as the official currency, they would sooner or later be forced to take steps to bring the Concessions to heel. Against this it is argued that, in the matter of the guerrilla leaders, possibly such are taking shelter in the Concessions, but that the authorities have been steadily suppressing all anti-Japanese activities, and that if such men were really engaged in any active work they would at once be discovered and arrested. As to the silver reserves, it is pointed out that it is impossible for the Concession authorities to seize, or allow the seizure of, property belonging to the still legally recognized government of China. While the reply of the banks is quite simple: "Business is business. If the Federal Reserve Bank itself were prepared to sell foreign exchange against its notes, we would be quite ready to do the same." In one minor point a concession has been made, for the Tientsin British Municipal Council now accepts F. R. B. notes in payment of all legal dues. But whether the joint police control could be admitted is another question.

Then there is the campaign against foreign newspapers. In August last, just at the time of the orders for the evacuation of the Concessions, but before the paper had made any comment whatever on the subject, the British-owned "Peking & Tientsin Times" was refused transmission through the Chinese post, and its sale forbidden outside the two Concessions. No reason was ever vouchsafed for this ban, and up to date all protests have been ignored. But it was undoubtedly part of the plan, not only to suppress all means of criticism but also to prevent or at least make it difficult for any unfavourable news to get to the ears of the Chinese or Japanese public. And this surmise is confirmed by the fact that other foreign newspapers, even such which are never critical of the Japanese, are not delivered to Chinese or Japanese addresses. And it is certainly not a mere accident that all foreign newspapers in general, that are published in China, are these days hindered and delayed in transmission.

### Foreigners Discomfitted

In other minor ways the foreign community in Tientsin is made to feel uncomfortable. There is the case of the Race Club. The autumn races, it is true, were not actually directly held up, but Chinese and Japanese were warned off from attending. A few weeks prior to the meeting the Chinese local authorities asked the Race Club for eighty thousand dollars, on the grounds that in former days the club had made contributions to Chinese charities from its earnings at such meetings. But those prosperous days are long since past, and the Tientsin Race Club was unable to entertain the request. For some mysterious reason the British authorities, about five years ago, conceded to the Chinese the right of policing the end of the Race Course Road adjoining the course. During the time of this year's autumn meeting Chinese police threw a cordon out on all the roads leading to the course, including the Race Course Road, and all would-be Chinese race-goers were forced to turn back. Only a very few of the hardiest punters managed to reach the grounds by water.

Again, the grounds of the Country Club adjoining the Race Course have been made unpleasant and unsafe. There have been two cases of attacks on foreign ladies walking there. And as usual nothing has been done.

In November the exodus of Japanese from the Concessions recommenced, and the foreign community has become alarmed once more. Most of the Japanese firms, with the exception of the Yokohama Specie Bank and the O.S.K., have now moved out. Although no specific orders seem to have been issued for this fresh evacuation, it is an open secret that Chinese and Japanese in government or municipal employ have been advised not to live in the concessions, "in case anything should happen and they could not get out."

### The New Highway

Then there is the new highway that has been constructed recently by the Japanese army. It runs from the Japanese Concession to the ex-German Bund, and skirts the British and French Concessions. The Japanese claim that this road has been built solely to enable the military to bring up their supplies and men without having to pass through the concessions, which used to lead to constant disputes. Nevertheless, it is regarded with suspicion by the foreign community as part of the plan for a blockade of the concessions. And this view has been strengthened by the rumour that the Japanese military recently tried to get the Maritime Customs to move their offices out of the French Concession.

Many people believe that, if the Japanese military cannot get their so-called grievances against the concessions redressed, they will proceed to stronger measures, either by an economic blockade, by stopping shipping from coming up to the British and French Concessions, or even by throwing a cordon around them and making it impossible for the Chinese to enter. How much truth there is in such fears, only the future can show. But the situation of foreign trade in Tientsin and of the foreign community generally is no less precarious than in Shanghai and in some ways even worse.

# French in Tientsin Accept F.R.B. Notes

Tokyo, Dec. 14.

Decision of the French Municipal Council authorities at Tientsin to accept federal reserve notes in payment of taxes and other assessments starting on December 20, was reported here today from Peiping.

The British Municipal Council has been accepting the notes of the Federal Reserve Bank of the Republic of China since December 1.

Four additional branches of the bank will be opened shortly at Weihaiwei, in Shantung province, Linfeng, Yuncheng in Shansi province and Sinsiang in Honan province, the report said.

Bank branches now in operation are at Tientsin, Tsinan, Tsingtao, Shichiachwang, Taiyuan, Chefoo and Shanhaikwan.—Domei.

# Anti-Japanese Acts in Foreign Concessions

Tokyo, Dec. 15.

Drastic measures are being enforced by Japanese authorities at Tientsin to curb the activities of anti-Japanese, pro-Communist agitators who have "established a base of operations" in the British and French Concessions there, according to a press message received here this afternoon.

Barbed wire entanglements have been set up along the border of the French Concession and a curfew is being strictly enforced from 10 o'clock at night to 6 o'clock in the morning along the borders of the French and British Concessions, the message said.

The alleged "non-co-operative, non-conciliatory attitude of the authorities of the British and French Concessions has encouraged and emboldened the activities of these anti-Japanese grounds," the message claimed.

Hundreds of anti-Japanese Chinese have been arrested by Japanese gendarmes since January, the dispatch stated.—Domei.

### Curfew Clamped Down

Tientsin, Dec. 16.

Many foreigners were considerably inconvenienced on Wednesday night as the result of a sudden order by the Japanese military authorities prohibiting, among other things, the movement of persons from or into the French Concession.

The United States Consul-General, Mr. J. K. Caldwell, who was entertaining a party at the Forum Club in the Italian Concession, had to invoke the help of the Japanese Consul-General, Mr. Tanaka, in order to enable some of his guests to return to their home in the French Concession.

It is understood that the Japanese military authorities intend to maintain, and extend, the restrictions indefinitely, and will require all persons moving about in the daytime in most of the Japanese-controlled areas in Tientsin to present passports.

In addition, it is stated that those wishing to leave the ex-Russian Concession, where many fires have occurred in Japanese military stores in recent months, will be required to have a special pass and a Japanese escort.

Although ostensibly directed against guerrillas and incendiarists, these measures are regarded in certain foreign circles here as the opening of a campaign to enforce compliance by the French Concession authorities with the Japanese demands for the handing over of anti-Japanese elements among the Chinese population. Reuter.

### Precautions

Tientsin, Dec. 18.

The Japanese military and the Chinese police took rigorous precautions yesterday morning, searching all vehicles and pedestrians entering the British and French Concessions, and delaying business men on their way to office.

Rickshaws, which are mostly parked outside the Concessions at night time, are forbidden to enter, while gardeners bringing in their vegetables are similarly stopped at the Concessions boundaries.

Residents of the former German Concession are experiencing difficulties in procuring foodstuffs, as most of the markets are situated in the Concessions.

Residents of the Concessions fear a cutting off of supplies of vegetables and meat, though fair quantities of flour and rice are stocked in Concessions godowns, which possess independent water and light facilities.—Reuter.

### Examinations

Tientsin, Dec. 17.

Close scrutiny of all those entering or leaving the French and British Concessions here by the Japanese authorities with the avowed purpose of seizing Chinese extremists today resulted in the reduction of traffic in and out of those areas to one-third of its normal volume. Shipping on the Peiho also registered a drop.

The examinations of passers by were initiated yesterday. They represent what the Japanese authorities here described as an effort to apprehend anti-Japanese and pro-Communist elements alleged to be active in the British and French areas.

The restrictions, discouraging Chinese from entering the two concessions, brought a wave of prosperity to stores and other establishments in Chinese controlled territory.

The Consular Body, with the exception of the Japanese Consul-General, was understood to have met here yesterday afternoon to discuss the situation.

Japanese circles here today insisted that the situation would remain unchanged until an agreement was reached between the Japanese, on the one hand, and the British and French authorities, on the other.

The Japanese authorities contend that the French and British officials administrating their respective concessions have maintained a "non-co-operative" attitude towards Japanese requests to curb anti-Japanese and pro-Communist elements alleged to be active in those areas.—Domei.

### Customs Control Cotton

Peiping, Dec. 16.

The Tientsin Maritime Customs has already put into effect the cotton control measures announced by the "Provisional Government" some weeks ago, and no cotton is allowed to be exported unless exporters produce permits granted by the Ministry of Industries, according to the Yung Pao.

Under instructions from the "Provisional Government," the Customs authorities in Tientsin are keeping a close watch over cotton smuggling. Smugglers are liable to imprisonment of not more than three years or a fine of not more than $10,000, states the same paper.—Reuter.

### Fires Among Supplies

Tientsin, Dec. 16.

It is understood that repeated fires among Japanese military supplies in the vicinity of the ex-Russian Park form the principal cause for the precautions taken here on the occasion of the first anniversary of the foundation of the Peiping "Provisional Government," held here on December 14.

Japanese circles assert that there are numerous undesirable foreigners in Tientsin, in addition to anti-Japanese elements among the Chinese population.—Reuter.

# *U.S. Envoy Leaves For America*

Chungking, Dec. 12.

The American Ambassador to China, Mr. Nelson T. Johnson, departed today by car for Kunming, the capital of Yunnan, en route to Washington, where he will report to President Roosevelt on the latest situation in China.

The Chinese press attaches much importance to Mr. Johnson's departure.—Reuter.

# British Gunboats Reach Hankow

Hankow, Dec. 18.

The British gunboats Cricket and Aphis arrived here at 3.45 p.m. yesterday, after an uneventful trip.

Four British gunboats are to proceed down river starting at 7 a.m. on Monday. They are H.M.S. Mantis and Peterel, which are proceeding to Shanghai, H.M.S. Tern, which is proceeding to Nanking, and H.M.S. Gnat, which is proceeding to Wuhu.

Rear-Admiral R. V. Holt, Commanding the British Yangtze Patrol, an additional 13 officers, and the reserve force of 100 bluejackets which reinforced the British contingent on guard here at the time of the fall of Hankow, will be accommodated on board. Twelve civilians will also be squeezed on to the gunboats, sleeping in ward rooms, and in other available space.

Numerous official and private functions during the past week have been indicative of Hankow's gratitude for the presence of the bluejackets during the occupation of Hankow.—Reuter.

# Overseas Chinese Form New Association

Chinese reports reveal that overseas Chinese in various foreign countries have expressed their willingness to support the newly established "Mother Country Salvation Society" in Singapore headed by Mr. Hu Wen-fu, the famous multimillionaire overseas Chinese medicine merchant, and Mr. Chen Chia-kang, a rubber merchant.

Soon after the inauguration of the society, which is considered the head office of all overseas Chinese patriotic organizations, the latter have telegraphically informed the society of their determination to support the Government and the society so as to carry on the hostilities to the end.

The society has established a branch in Hongkong and its representatives are going to and fro between Hongkong and Shanghai negotiating on the question of making contributions and of the methods of distributing them.

The patriotic overseas Chinese are stated to be planning to help their Government in many ways but the programmes which they are already carrying out include the refugee land reclamation work, and development of industries and mines in the interior. Methods of collecting cash contributions from overseas Chinese on a permanent basis are also said to have been decided upon.

# Foreign Warships Sail From Hankow

Hankow, Dec. 19.

Escorted by Japanese warships, a convoy of five American and British gunboats led by H.M.S. Mantis flying the flag of Rear-Admiral R. V. Holt, sailed from Hankow for downriver at 7 o'clock this morning.

Included in this convoy are in addition to H.M.S. Mantis, H.M.S. Peterel, H.M.S. Tern, and H.M.S. Gnat and the U.S.S. Guam.

It was announced by the Japanese naval authorities yesterday that the convoy had been held up at a point 50 miles downstream from Hankow, owing to H.M.S. Gnat having developed engine trouble. It is thought that the vessels will continue their voyage this morning.

The convoy will stop at Kiukiang where it will be joined by the U.S.S. Monocacy and H.M.S. Cockchafer, before resuming its downriver progress tomorrow morning.—Domei.

### Stop at Anking

Shanghai, Dec. 20.

H.M.S. Cockchafer, it was learned yesterday, will stop at Anking to pick up Mr. and Mrs. A. Mair of the China Inland Mission. Mr. and Mrs. Mair have been in Anking for some while, awaiting transportation to Shanghai.

# Federal Government Expected in March

Tokyo, Dec. 18.

A unified central government of China under a federal system will be established in March or April, the "Nichi-Nichi" predicted last night.

The journal said Marshal Wu Pei-fu, leader of the Chihli faction, who emerged from his voluntary retirement to lead a movement for convoking a Sino-Japanese "racial-conference," will shortly circulate a statement throughout China urging the people to support the movement to "save their homeland."

Marshal Wu's statement, the "Nichi-Nichi" said, will be distributed in various provinces, especially in Szechuen, Honan and the Lunghai Railway zone, his former spheres of influence. He will denounce Communism as being "incompatible with the traditional ideas of China" and urge the nation to "unite solidly behind the race movement," the journal declared. Marshal Wu was said by the paper to be rallying his former followers under his banner.—Domei.

# British Ship Searched By Japanese

Hongkong, Dec. 16.

The British steamer Cambay Prince was stopped by a Japanese warship off the Ladrones last month and detained for eighteen hours while the ship's papers were examined and photographed, it was learned here today.

The incident was not reported to the British naval authorities here for some time because the Cambay Prince carries no wireless equipment.

The vessel was bound for Pakhoi from Hongkong with a cargo of commercial trucks when it was halted by the Japanese warship. Japanese officers boarded the steamer and held it for eighteen hours while they inspected the cargo and took photographs of the trucks and other cargo carried by the Cambay Prince, reports said.—United Press.

# Parts of Kiangsu Under Yellow River Flood

Chungking, Dec. 17

The Hsinhua, Taichow, Kaoyu, Paoying, Tungtai and Yenchen districts, in north Kiangsu province, are submerged under Yellow River flood waters, according to the latest dispatches from Hwaiyin, in north Kiangsu.

The dispatches stated that the flood waters, after causing breaches in the dykes near Kaifeng, poured southward, entered the Hwai River, passed Hungtseh Lake, on the Anhwei-Kiangsu border, and entered Paoying and Kaoyu Lakes.

The waters then headed for the Yangtze River, between the Grand Canal and the dykes.—Reuter.

# Young Missionary Dies Aiding Refugees

Ichang, Dec. 13.

Miss Carlson, young missionary attached to the Swedish Mission, recently died of dysentery in Shasi, where she had been helping at the refugee camp organized by the mission. Miss Carlson had only been in China for two years.—Reuter.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## Women Hold China Future in Hand

Chungking, Dec. 19.

Madame Chiang Kai-shek is continuing her energetic efforts to organize Chinese women throughout the country to participate in war work. Reporting on her flying inspection trips, she stated in a recent address before the Chinese Women's Association at Chungking:—

"After the fall of Hankow, I visited Changsha, where I organized women there, making bedding and clothes for the wounded soldiers.

"I am also sending women workers to various army units, and some to villages. Unfortunately, of 16 girl students sent to villages, three were killed by Japanese aerial bombing, and three others were seriously injured.

"At Nanchang, I visited camps where new troops were undergoing training.

"At Shaokwan, on the Kwangtung-Hunan border, due to the severe Japanese aerial bombardments, most women have left the town.

"I was deeply impressed by the spirit of the girls, some of whom are undergoing military training, and living the life of soldiers.

**Support the Troops**

"As soon as they complete their training courses, they follow the regular troops to the front, to bring about closer co-operation between the army and the populace.

"General Pai Chung-hsi told me that women played an important part in the Chinese victory at Taierchwang, where girl workers refused to leave, even though the situation was most desperate, expressing determination to fall with their men comrades. Their bravery inspired our soldiers to unbelievable heroism.

"If women want equality of rights with men, they must first be prepared to share men's responsibilities. British women won equality largely due to their heroic deeds in the Great War.

"Japan is not only an enemy to all the Chinese, but an enemy to all womenkind, Japan being the only civilized power in the world subjecting women to unbelievable oppression and slavery.

"If the Chinese women foresake vanity and luxuries, there will be no corrupt officials.

"If Chinese women are not afraid to die, there will be no cowardice among Chinese soldiers.

"The responsibility whether China will perish or survive rests with the Chinese women."—Reuter.

## Briton's Lead Hankow's Foreign Population

Tokyo, Dec. 13.

Altogether 1,163 foreigners from 30 different countries are now living in Hankow, according to official statistics published here and which are based on information supplied by the Japanese Consulate in that city.

The British community, which counts 279 members, is the most numerous, being followed in order of numerical strength by White Russians, Americans, French, Italians and Germans. The foreign colony also includes Lithuanians, Latvians, Estonians, Bulgarians, Greeks and representatives of other nationalities.

Included in the colony are no fewer than 236 missionaries of various confessions.—Trans-Ocean.

## "Reformed Govt." Head Back in Nanking

Soochow, Dec. 14

Mr. Liang Hungchih, Chairman of the Executive Yuan of the "Reformed Government," returned to Nanking today after conferring with Japanese authorities here. He arrived here yesterday from Hangchow.

Mr. Liang called on Major Shiro Sakuraba, Chief of the Japanese Army Special Service Section here, and thanked him for assistance given to the Kiangsu Provincial Government. Mr. Liang and his party made a tour of the city and attended a mass meeting yesterday afternoon.—Domei.

## Funds for Development Of Yunnan Raised

Chungking, Dec. 10.

A wealthy Singapore business man, Mr. Hu Wen-hu, is raising a sum of $50,000,000 for the development of the natural resources in Yunnan province, according to reports reaching here.

Mr. Liang Yu-kao, Chinese member of the Sino-British Yunnan-Burma Border Commission, together with Mr. Tsai Hsien-chang, representative of Mr. Hu Wen-hu, are en route to Kunming to discuss the matter with General Lung Yun, Governor of Yunnan, it is reported here.—Reuter.

## Manila Chinese Told to Support Gen. Chiang

Manila, Dec. 19.

Dr. C. Kuangson Young today assumed his new duties as Chinese Consul-General in Manila.

In a brief speech delivered upon assuming his office Dr. Young said that the world was beginning to realize the untenable position Japan had reached in China.

"Time and space are allies of China," he declared. "Buttressed by determination, unity and the endurance of her people, China's ability to last longer than her adversary is now realized by foreigners in China and abroad."

Referring to the credits recently granted China by the United States, he said that they were "concrete proof of the American people's confidence in the future of China."

Dr. Young predicted that other nations would follow the lead given by the United States in granting credits to the Chinese Government.

The new Consul-General was warm in his praise of foreign sympathizers who have been contributing to the care of Chinese refugees. He cited particularly the Lord Mayor's Fund in England, which had contributed more than £150,000, in addition to large quantities of medical supplies.

Dr. Young said that at present he was spending most of his time conferring with the leaders of the Chinese community in Manila to obtain at first-hand knowledge of his new job.

On Saturday Dr. Young spoke to 500 Chinese Boy Scouts and Girl Guides, uring them to propagate the New Life Movement and do all they could to support General Chiang Kai-shek.—United Press.

## *Pearl River Not to Be Opened*

Canton, Dec. 19.

It appears that Pearl River will be closed to foreign shipping until the Yangtze question has been settled.

The Japanese Consul-General, in an interview with Reuter today, stated that Pearl River was not an important issue in itself but shoulld traffic be restored, it would prejudice Japan's case regarding the Yangtze.

Meanwhile, Reuter was informed that the new Kwangtung Provincial Government is being inaugurated at 10 a.m. tomorrow, with Mr. Pang Tung-yuen as Chairman. He will also occupy the post of Acting Mayor for the time being.—Reuter.

## Amoy Island Returns To Normal

Amoy, Dec. 17.

More than 80,000 Chinese refugees who fled to Kulangsu, Hongkong and Singapore when the hostilities spread to Amoy Island have returned here since the restoration of order, Japanese authorities announced today.

Peace and order are being kept by more than 300 police attached to the Peace Maintenance Commission and supervised by the Japanese Naval Landing Party. Some Chinese have come here from Foochow.

To assist the refugees the Japanese Army Special Service Section, which holds a leading position in directing affairs in the city, has taken measures to protect them and their property and has exempted the refugees from paying for water and power.—Domei.

## Friction in Hankow

Shanghai, Dec. 17.

A correspondent stated at yesterday's press conference that he had learned from foreign sources that friction had developed between the Japanese navy and the French Concession authorities in Hankow. As a result, the former had cut off the water supply and prevented food, other than that carried by foreigners themselves, being taken into the Concession. The reason for the friction, it appeared, was that the Japanese wanted certain anti-Japanese elements to be handed over, which the French authorities refused to do.

The spokesmen denied the report as unfounded, inasmuch as both parties were on friendly terms. It was only recently, it was added, that Japanese transports had carried supplies to Hankow at the request of the French naval command.

## *NEWS FROM JAPAN*

# Foreign Loans "Ill-Advised"

### British and U.S. Credits to China May Have Repercussions on Interests of Third Powers

Tokyo, Dec. 19.

AFTER reading a prepared statement to forty foreign correspondents today, the Japanese Foreign Minister, Mr. Hachiro Arita, replied to a barrage of pointed questions, the high light of the interview occurring when he was questioned on the reaction to the American loan to China. Mr. Arita pointed out that, although the loan may be made for the promotion of trade, it will "necessarily lead to a prolongation of hostilities and, consequently, to embarrassments and inconveniences of third power nationals."

"An American loan to China at this time," declared Mr. Arita, "is, therefore, inopportune to say the least and we cannot but say that it is an ill-advised act on the part of the United States, which, thus, far, has acted with understanding and discretion concerning the China affair. And if, as the American newspapers say, it is a political gesture of Washington to Japan, there would be nothing more dangerous.

"When the Japanese people are convinced that that loan to the Chiang Kai-shek regime is really intended as economic pressure by a powerful economic country, they would unite and the reaction would prove quite contrary to what America expects.

"The Japanese people would undoubtedly find new grounds for strengthening the proposed new order in East Asia.

"Personally speaking, I am not inclined to regard the reported loan as a political gesture."

When Mr. Arita was questioned concerning the British loan, he said the same remarks applied to it as to the American loan.—Reuter.

**Statement in Full**

Mr. Arita's statement in full through Domei follows:

"As has been made clear by the statement of November 3 by the Japanese Government, what Japan desires is the establishment of a new order which will insure permanent stability in East Asia, or in other words, the establishment of a relationship of mutual helpfulness and co-ordination between Japan, Manchoukuo and China in political, economic and cultural fields.

"That the formation of a closely co-operative relationship between the three countries is an imperative necessity is explained by the fact that it is, in its political aspect, a measure of self-defence against the Communist menace and in safeguarding the civilization and culture of the Orient; and in its economic aspect, a measure of self-preservation in the presence of the world-wide tendency to erect high customs barriers and to employ economic measures for political ends.

**Ending China as Colony**

"It is not only of benefit to the Chinese people themselves but to the whole of East Asia to lift China from its present semi-colonial status to the position of a modern state.

"Establishment of a new order, that is, of a relationship of mutual aid and co-ordination between Japan, Manchoukuo and China, simply signifies the creation of solidarity between these three countries for the common purpose of preserving the integrity of East Asia, while enabling each nation to maintain its independence and fully develop its individuality.

"It is the firm conviction of Japan that the establishment of such a new order will be perfectly in consonance with international justice and contribute toward peace and tranquility in Easts Asia, and it is her inflexible resolution to carry out her policy in this regard.

**Economic Prospects**

"Leaving for a later occasion the political and cultural phases of the proposed tripartite relationship, I wish today to offer a few remarks on its economic aspect.

"The new order envisages a certain degree of economic coherence and co-ordination between Japan, Manchoukuo and China and the formation of a single economic unit in the presence of similar units which already exist elsewhere, and which are both powerful and self-sufficing.

"Although the term 'economic bloc' is frequently applied to such an arrangement, the proposed unit in East Asia is by no means to be a system of closed trade.

"If by 'economic bloc' is meant the exclusion of all interests other than those of the parties directly concerned, the employment of the term is wholly improper in the present case."

**Japan's Free Principles**

"At the moment not a few observers seem inclined to feel as though Japan, by the inauguration of a so-called Japan-Manchoukuo-China economic bloc, were driving at the exclusion from East Asia of all enterprises, capital investments, trade and other economic activities on the part of foreigners.

"It is quite regrettable that such an idea is now being reflected in the comments of various newspapers and magazines published in Europe and America.

"Japan has long stoutly upheld before all the world the principle of equality in commercial opportunity, though as a matter of fact that principle has received scant regard elsewhere and Japanese products of good quality and moderate price have everywhere been subjected to discriminatory treatment.

"Japan nevertheless still believes that the way to bring about prosperity to each and every nation is to give effect to the principle of equality in commercial opportunity, and she upholds the freedom of economic activity in all parts of the world as a matter of principle.

**Japan's Co-operation Aims**

"It is far from Japan's thought to aim at excluding European and American economic activities from East Asia.

"However, it is most natural and proper that two neighbour nations closely bound together by links of race and culture (Japan, poor in natural resources and without large domestic markets, and China, still economically weak) should work together in order to insure their independence as regards vital supplies as well as their markets in time of emergency.

"Within those limits it is to be admitted that the economic activities of countries which lie outside the limits of East Asia would have to be regulated.

"In other words it is imperative that the economic activities of other Powers should be subject to certain restrictions dictated by requirements of the national defence and economic security of the countries grouped under the new order, and that no political privileges should be attached to those activities.

"The necessity of such restrictions is recognized by all modern states, including, I am sure, the British Empire and the United States.—Domei.

**British Position**

London, Dec. 19.

No official cognizance has yet been taken of the statement made by Mr. Hachiro Arita, Japanese Foreign Minister, on the reaction of Japan to British and American loans to China.

The British position with regard to trading in China, however, has been authoritatively stated as follows:

"His Majesty's Government received frequent assurances from the Japanese Government in the past that the old order would be restored as soon as possible and that no effort would be spared not to impinge on the rights of other nationals in China.

"These assurances have never been implemented and so it has become necessary for this country and other countries to protect their own rights.

"The Export Credit Bill, now under consideration in Parliament, is an example of one of the ways by which Great Britain can look after her own interests."—Reuter.

**Japanese Comment**

Tokyo, Dec. 19.

Financial assistance being extended to the régime of Gen. Chiang Kai-shek by Britain and the United States is "self-contradictory" in that it tends to turn China into "another Spain," thereby disturbing world peace, the "Miyako Shimbun" declared editorially today, recalling the professed desires of statesmen in London and Washington to secure international appeasement.

The British and American moves, the daily stated, were designed to secure a favourable solution of the issues involving their interests in China, particularly the question of Yangtze navigation.

The "Miyako," however, contended that there was "no fear" that this financial assistance towards the as the former Chinese national administration had become "a mere regional government."

The American credit and the proposed British loan, the daily said, would, nevertheless, "enliven" the Chungking régime.

**"New Concern"**

Commenting on the same subject, the "Yomiuri Shimbun," another popular daily, saw significance in the American action, which, it said, had aroused "new concern" in that it represented a departure from the past Washington policy of avoiding joint action with Britain.

"We have nothing to say about British aid to the régime of Gen. Chiang Kai-shek," the "Yomiuri" said, asserting that such action was in keeping with the established British policy.—Domei.

## Japan Navy Budget Cut Y.26,440,000

Tokyo, Dec. 15.

Naval estimates for the 1939-40 fiscal year will amount to Y.653,042,000, a reduction of Y.26,440,000 compared to appropriations for the present year, the Navy Ministry announced today.

Increases were, however, made in individual items representing new demands for appropriations or increases in basic estimates.

Major items in the latter were Y.10,329,000 for the maintenance of new warships; Y.3,061,000 for increases in the personnel of naval arsenals and other establishments; Y.2,833,000 for replenishing warship complements; Y.699,000 for the maintenance of aircraft; Y.7,833,000 for the modernization of warcraft, and Y.5,524,000 for replacing used material.

Japan finds no cause to "worry" over the reported construction of two 45,000-ton battleships by the United States Navy, even if the current reports are true, a spokesman for the Navy Ministry said today when asked by foreign correspondents whether Japan's naval programme would be affected by the alleged United States building plans.

The Japanese Navy has carefully studied all steps to cope with every possible situation and subsequently formulated its own policy, which, the spokesman declared, could not be divulged.

Because of various reports on the American Navy's plans, the real building programme could hardly be known, the spokesman remarked.—Domei.

## Japanese Foreign Trade Expands

Tokyo, Dec. 15.

Enforcement of further measures to develop Japan's foreign trade and to increase gold production at home was urged by Mr. Seihin Ikeda, Finance Minister, in a discussion of next year's budget with Speakers of the Diet and representatives of political parties yesterday.

The balance of Japan's foreign trade so far this year shows more than Y.47,000,000 on the credit side against an adverse balance of Y.645,000,000 in the corresponding period of last year, Mr. Ikeda pointed out.

Undue optimism, however, was deprecated by the Finance Minister. Analyzing overseas trade, he said it showed a favourable balance with the yen bloc countries but an adverse balance with other foreign countries.

Referring to the Y.860,000,000 worth of gold specie shipped abroad last year, Mr. Ikeda said gold shipments abroad this year were much smaller but still amounted to a considerable sum.

**Bond Redemption**

He pointed out that next year's ordinary budget contained Y.706,000,000 for redemption and service of government bonds and Y.90,000,000 for a reserve fund.

Commenting on the estimated state revenue, he said Y.2,069,000,000 represented a tax revenue increase of Y.264,000,000 over that of the current year.

A deficit of Y.809,000,000 in revenue would be met by issues of government bonds, he said.

Mr. Ikeda stated that Y.3,450,000,000 worth of government bonds out of scheduled issues totalling Y.5,628,000 already had been put on the market and absorbed "smoothly," thanks to the thrift drive successfully carried out in all parts of the country.—Domei.

## Japan's Leaders to Be Told About War

Tokyo, Dec. 13.

At the request of the Privy Council, Lieutenant-General Itagaki, Minister of War, will give to the Privy Councillors tomorrow a detailed explanation of the war situation and also the situation in Japanese-occupied areas in China.—Reuter.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

*NEWS FROM JAPAN (continued)*

# Yangtze to Remain Closed

## Tokyo Spokesman States, Decision Entirely Rests With C.-in-C. of Japanese China Fleet

BY PERCY WHITEING
*"N.C.D.N." Special Correspondent in Japan*

Tokyo, Dec. 8.

IT is quite impossible to predict when the Yangtze River will be reopened to general commercial shipping, Capt. Ogawa stated at an interview with foreign news correspondents today at the Navy Ministry. He spoke on behalf of Rear-Admiral Kanazawa, navy spokesman.

The present passage down the Yangtze of foreign gunboats has nothing whatever to do with reopening the river to general traffic, he said, and the decision as to when to reopen the river is left entirely to the discretion of the commander-in-chief of the Japanese fleet in China waters. Instructions in this matter will not be sent from Tokyo, he added.

On previous occasions the navy spokesman has stated that it would be quite impracticable for the Japanese navy to spare the equipment and personnel necessary to preserve the safety of foreign commercial vessels if they were permitted to navigate on the Yangtze, while military operations are continuing, in view of dangerous conditions existing.

Captain Ogawa was carefully noncommittal when asked whether the navy would protect Japanese fishing boats in their operations off the Siberian coast if the Minister for Foreign Affairs, Mr. Arita, fails to get the Soviet Government to sign a new fisheries pact in place of the temporary agreement soon to expire.

He pointed out that the matter of a new agreement is now under negotiation between the Foreign Office and the Soviet Government, and it is impossible to say now what measures might be taken in case the negotiations fail. It would depend entirely on the government's decision what to do, so the navy alone is not in a position to say anything in anticipation of the failure of the negotiations.

This question of the Siberian fisheries, basic rights to which Japan holds under the Portsmouth Treaty, is a perennial source of friction between Japan and Russia. The Japanese navy could, of course, with complete ease protect the fishing boats in doing anything they pleased in Siberian waters. But such a step would certainly cause great disorder in the relations between Japan and Russia, shakily balanced as they are even at all times, and might well cause outright war.

### Desirous of Avoiding War

Though such action has been threatened on several occasions, it has not yet been taken, because, as was shown in the Changkaofeng affair, Japan has so far been desirous of avoiding war with Russia. It is likely also that such drastic action will continue not to be taken until Japan has set in order her affairs in China. Some observers expect this fisheries question will be the immediate cause, eventually, of the next Russo-Japanese war, which most well-informed people agree is inevitable, the only question being, when. There are plenty of other things, however, which could bring on the explosion.

It will be recalled that Mr. Arita had to leave office when the Imperial Diet forced the resignation, nearly two years ago, of the Hirota cabinet, in which Mr. Arita was Minister for Foreign Affairs. The conduct of foreign affairs was one of the causes of the Diet's dissatisfaction with Mr. Hirota's government. Mr. Arita had negotiated a new fisheries agreement with Russia, but before the latter had finally ratified it, which it was about to do, Mr. Arita revealed in confidence to the Soviet Ambassador in Tokyo, it was alleged, the impending conclusion of the Japan-German anti-Comintern pact.

The Ambassador, Mr. Yurenev, promptly informed this to his Government, which at once refused to have anything more to do with the agreement. This was toward the end of 1936. The affair caused Mr. Arita to be bitterly criticized in the Diet. The full truth about the whole matter has never been made public, and many people think Mr. Arita was treated very unjustly. Anyway, the highest quarters repose full confidence in Mr. Arita as he is now in office again, and trying hard to get the Soviet Government to sign a fresh fisheries agreement.

### Munitions for China

To resume with Capt. Ogawa, he made a renewed charge that large quantities of foreign munitions of war are still going to the Chinese nationalists via French Indo-China. He said the Japanese navy has definite knowledge that heavy shipments of munitions are being moved through Indo-China, from Hongkong and Pakhoi.

"We have learnt from many sources," he said, "that the Chinese have entreated the French authorities to help them and to permit the transit of munitions to them through French territory. This the French seem to be doing, and we fear the quantity of such shipments is increasing. We are extremely dissatisfied with this state of affairs. It is a matter of grave concern to us that after the fall of Canton, French Indo-China has become the main artery for the supply of foreign munitions of war to the Chinese."

Capt. Ogawa gave the main routes of this traffic as follow: from Hanoi to Yunnan, from Hanoi to Lonchu in Kwangsi, from Tienyeng to Lonchu, and by Chinese junks from Haiphong to Tunghing. "The volume of this traffic is growing heavier, instead of ceasing as we had hoped, and we cannot too greatly regret that it is going through French territory," he said.

There may be some truth in the reports that the Chinese nationalists have ordered evacuation of the Pakhoi area, he added, though no definite information about it has been received, because presumably the Chinese want to hide the route by which the munitions are being carried in that area.

### Amoy Conditions

Cmdr. Tadano, who has just returned from Amoy, where he was in service for a considerable time, said that the Chinese inhabitants are rapidly returning to that city because they have learnt that conditions there are quite safe under the Japanese naval authorities. He said that while only about 18,000 of the inhabitants remained in the city when the Japanese occupied it, they have now increased to about 70,000. The population formerly was about 170,000.

The naval landing force at Amoy, Cmdr. Tadano said, realized that one of the most important factors in restoring normal conditions there after the fighting was to enable the residents to return to their homes as soon as possible. Great efforts were accordingly made to secure peace and order, with the result that there has not been a single case of terrorism on the island. The inhabitants are content that they are able to carry on their business much as usual.

Relating some episodes, Cmdr. Tadano said that Amoy is the home of many thousands of Chinese merchants in southern countries, specially Malaysia. Quite recently a Japanese living in Singapore had his bicycle mended at a Chinese bicycle shop there, but the shopkeeper refused to make any charge because he said his family was living in security at Amoy under the auspices of the Japanese naval force, and he wanted to show his thanks. This was regarded as remarkable in view of the intense anti-Japanese feeling among the Chinese in Singapore.

Some Chinese merchants in Manila, he continued, had heard rumors that their families in Amoy were being badly treated by the Japanese and intended to try to get them over to Manila. But when they came to the vicinity of Amoy and learnt that conditions in the city were just the contrary, they were content to give up the idea and returned to Manila alone.

### Unruly Formosans Barred

As another case, Cmdr. Tadano said the Formosans, (Japanese subjects) who were living in Amoy before the Japanese occupied it were badly treated by the Chinese there. So the people of Amoy feared that after the Japanese occupation these Formosans, under Japanese protection, would take revenge. On the contrary, however, the Japanese authorities prevented unruly Formosans from returning to Amoy, and some who were in the city and tried to make trouble were severely punished. This removed the fears of the Chinese.

# Japan to Peg Rice Price by Law

Tokyo, Dec. 17.

Legislation to charter a semi-official company styled the Rice Corporation capitalized at Y.30,000,000 to control rice distribution throughout the nation will be sought by the government at the forthcoming session of the Diet which opens on December 24.

Plans for the new company were formulated on the basis of recommendations of a rice distribution committee which has been studying question of supply and consumption of the staple food of the Japanese people for the past year.

The new corporation, which was forecast by the rice control law enacted in 1933, will replace the existing rice exchange by establishing and managing rice markets in important distribution centres, conducting transactions and supervising storage and transportation of the grain.

### Speculation to Be Banned

After organization of the corporation all speculative transactions in rice will be forbidden and dealings will be limited to spot transactions. Prices will be pegged between the maximum and minimum figures fixed in accordance with the control act, thus stabilizing them.

Negotiations are going on between officials of the Ministries of the Ministries of Agriculture and Forestry and Commerce and Industry regarding allowances to be granted nineteen rice exchanges which will be liquidated and their 120 employes who will lose their jobs.

The Ministry of Agriculture and Forestry proposed that the allowances should amount to Y.3,000,000, while the Ministry of Commerce and Industry maintained that the grants should total Y.4,750,000.

Production cost of rice per koku, or five bushels, was Y.29.54 this year, an increase of 8.6 per cent. compared to the figures for last year.—Domei.

# Japan Expected to Adjust "Door"

Tokyo, Dec. 15.

Japan's fundamental policy, in view of the new situation in East Asia, will never be affected by the reported stiffening attitude of Great Britain and the United States, which suggests a possible joint front by the two countries against Japan in the form of financial assistance to China and also economic reprisals against Japan, says the "Asahi Shimbun" today.

The journal believes that Mr. Hachiro Arita, the Foreign Minister, will give to the British and American Ambassadors in Tokyo, in their next interviews, a more definite explanation of Japan's fundamental policy.

This policy, the "Asahi Shimbun" declares, is not designed to close the economic door in China against third Powers, but is based on the guiding principle that the policy of the Open Door and Equal Opportunity, in China, must be modified in accordance with the new situation in East Asia, which has liquidated old diplomatic ideology or international agreement, including the Nine-Power Pact.

The newspaper understands that the Japanese Government holds that the rights and interests of third Powers in China must be regulated by the new order in East Asia.—Reuter.

# American Army Fliers To Join Chinese

Tokyo, Dec. 16.

Reports of the impending formation of a new Chinese flying "Foreign Legion" were being investigated by Japanese authorities today.

According to a Chinese report published in Shanghai, six retired American army officers arrived in Bombay recently together with a shipment of heavy bombers.

The fliers were said to be awaiting their formal appointment as commissioned officers in the Chinese Army to fly the machines through Burma into Yunnan.

Another group of aviators was also said to be expected in Bombay for a similar purpose, according to the report.—Domei.

# Mr. Y. Miura to Be Consul Here

Tokyo, Dec. 16.

Mr. Yoshiaki Miura, Japanese Consul-General at Tsingtao, has been ordered to serve as Consul-General at Shanghai replacing Mr. Shinrokuro Hidaka, who was appointed Director of the Economics Affairs Bureau of the Asia Development Board, the Foreign Office announced today.

Mr. Denjiro Kato, Consul-General at Mukden, is expected to succeed Mr. Miura at Tsingtao.—Domei.

# Soviet Plan Would Penalize Japan

Tokyo, Dec. 14.

Japanese fishery rights in territorial waters off Soviet possessions in the Japan, Okhotsk and Behring Seas, employing 30,000 fishermen and yielding Y.50,000,000 to Y.60,000,000 profits annually, would be reduced to one-fifth if the Soviet terms for a *modus vivendi* were accepted, according to the spokesman of the Foreign Office today.

The spokesman said that this was based on a rough estimate but that the Soviet proposals for the cancellation of the Hirota-Karakhan Agreement, to exclude the so-called forty stabilized lots from the activity of Japanese fishermen, would deal a serious loss to Japanese fishermen in view of the great value of those forty fishery lots.

The so-called stabilized lots, stipulated in the Hirota-Karakhan Agreement, the spokesman pointed out, constituted 73 per cent. of the total number of Japanese-managed fishery lots.

He declared that Japan had no idea of accepting the Soviet proposals, although negotiations would be continued with the Moscow Government for reaching a definite agreement.

Fundamentally speaking, the spokesman said, the Portsmouth Treaty of 1905 stipulated fishery concessions to Japan, with the exception of those fishery grounds held by Russians and foreigners at that time.—Reuter.

### Deadlock

Tokyo, Dec. 16.

Japan expects the Soviet Union to reply to Tokyo's proposals for the conclusion of a new *modus vivendi* governing Japanese fishing in Russian territorial waters by December 20, the Foreign Commissariat was informed on Tuesday, Domei learned here today.

This view was conveyed to M. S. S. Mironov, chief of the Far Eastern Division of the Foreign Commissariat, by Mr. Haruhiko Nishi, counsellor of the Japanese Embassy in Moscow, on Tuesday soon after Mr. Shigenori Togo, Japanese Ambassador, had conferred at length with M. Maxim Litvinov, Foreign Commissar.

Mr. Nishi, it was understood, pointed out that internal administrative procedure in Japan required an extended period, while the *modus vivendi* was to go into effect on January 1.

With both countries refusing to yield to the other's claims, negotiations reached a tight deadlock today as a message from Moscow revealed that Russia was determined to restrict Japanese fishing operations in those areas which might have strategical importance in the event of war.—Domei.

### No Progresss

Tokyo, Dec. 17.

Russo-Japanese discussions in Moscow over renewal of the Japanese fishery contracts in the Soviet's northern Pacific waters are deadlocked, according to Japanese dispatches.

M. Maxim Litvinoff, the Soviet Foreign Commissar, it is stated, displayed a "strong attitude" when the Japanese Ambassador in Moscow, Mr. Shigenori Togo, sounded him out on Tuesday on the Japanese request for a definite reply from the Soviet by December 20.

As a result of this attitude, no progress has been made and there is no prospect in sight of a settlement, the reports state.—Reuter.

# High Japanese Naval Commands Changed

Tokyo, Dec. 15.

Major changes in high Japanese naval ranks were announced by the Navy Ministry today.

Vice-Admiral Koichi Shiozawa, in command of the Japanese naval forces in South China, was ordered attached to the Naval General Staff, while Rear-Admiral Eijiro Kondo, commanding the Japanese Yangtze River units, was transferred to the Yokosuka Naval Base, where he will serve under Vice-Admiral Kiyoshi Hasegawa, former commander-in-chief of the Japanese China Seas Fleet.

Also detailed for duty with the General Staff were Rear-Admiral Takashi Tokari, Rear-Admiral Minoru Tayui, and Rear-Admiral Kiichi Endo.

Rear-Admiral Rokuro Horiye will take over the command of the Eleventh Combined Air Squadron; Rear-Admiral Ichiro Ono will join the Kasumigaura Naval Air Station Rear-Admiral Toshihisa Nakamura was appointed chief of staff at the Kure Naval Base; Rear-Admiral Koki Abe will head the Naval Academy faculty, while Rear-Admiral Matome Ugaki will become chief of the First Section of the Naval General Staff.—Domei.

# Soviet Troops Mass On Border

Tokyo, Dec 19.

A large concentration of Soviet troops on the Manchoukuo border is reported by the commander of a Japanese unit which participated in the Changkaofeng Incident, according to a message from Tsuruga.

"God only knows," was the Foreign Office spokesman's reply when asked at a press conference this morning whether a settlement of the Russo-Japanese fishery question was likely.

He said that Japan would be satisfied if the *status quo* were maintained, but the Soviet evidently wanted to break it.

The spokesman admitted that Mr. Shigenori Togo, the Japanese Ambassador in Moscow, asked M. Maxim Litvinoff, the Soviet Foreign Commissar, to give a reply by December 20, but asserted that the date mentioned did not represent a time limit, as alleged by the Japanese press.

However, continued the spokesman, negotiations ought not to come to a dead-lock because the U.S.S.R. was bound by a treaty to come to an agreement with Japan regarding the exercise of fishery rights granted to the Japanese by treaties betwen Japan and the Soviet Union.

### Threat of "Free Fishing"

Meanwhile, the directors of the Nichiro Gyogyo Kabushki Kaisha, the largest Japanese fishery concern interested in fishing in northern waters, declared that they absolutely could not accept the Soviet's terms for a conclusion on the fishery modus vivendi.

They intended, the directors added, to exercise the fishery rights granted to them by treaty and would resort to free fishing if diplomatic negotiations in Moscow failed.

At the same time, a Japanese press message received here today from Hakodate stated that the Hokuyo Doshikai, an association of Japanese fishing interests in northern waters, passed a resolution, expressing stout opposition to the Soviet's terms for the conclusion of the fishery modus vivendi.

The message added that copies of the resolution had been telegraphed to the Minister of Foreign Affairs, the Minister of Agriculture, Minister of War, Minister of the Navy, Speaker of the House of Peers and the Speaker of the House of Representatives.—Reuter.

# Japanese Reading More Foreign Literature

Tokyo, Dec. 19.

American and British publications continued to top the list of foreign books, magazines and newspapers imported during the first eight months of this year, according to figures compiled by the Finance Ministry. An increase of 347,000 copies over the corresponding period in 1937 was shown in literature imports.

Magazines and newspapers were found to predominate the list of 3,912,000 pieces of printed matter imported between January to August inclusive. This was said to reflect the government's thrift encouragement campaign as a drastic drop of the costlier books formerly imported was registered.

English-language publications totalling 1,057,000 pieces showed a decrease of 210,000 copies while Chinese printed matter jumped 197,000 pieces for a total of 438,000 volumes.

German publications, reflecting the effect of the anti-Comintern pact, picked up by 33,000 issues for a total of 336,000 while French-language periodicals were listed at 141,000, followed by acceptable literature from the Soviet Union at 7,000 copies.—Domei.

# Japanese Premier Too Ill to Speak

Tokyo, Dec. 12.

Prince Konoye, the Japanese Premier, who is suffering from influenza, will not issue a statement, according to Japanese press reports today.

It was previously reported that the Premier would make a statement early this week which would embody the radio speech which he had planned to deliver from Osaka last night but which was cancelled owing to his indisposition.

The Premier's broadcast, it is so was to have enunciated the Government's policy for the readjustment of Chinese-Japanese relations in connection with the building up of a new order in East Asia.—Reuter.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# Japan Will Adhere to Plans

## Foreign Pressure Will Not Change Policy in China; Strong Enough to Gain Objective

Tokyo, Dec. 18.

PRESSURE which foreign Powers may attempt to impose on Japan will not cause her to waver one step in her determination to establish a "new order" in East Asia, Mr. Hachiro Arita, the Foreign Minister, will tell foreign correspondents in an interview tomorrow, Domei was informed today in authoritative quarters. Japan's resolution to attain her objectives in China is unshakable and will never be weakened by the actions of third Powers, the Foreign Minister was understood to have decided to inform the correspondents. Pressure which third Powers might bring to bear on Japan in the form of economic boycotts or refusal to invest capital in Asia would be regretted by Japan, but such measures would not affect Japan's policy, Mr. Arita will declare.

Japan's policy of playing the leading role in the reconstruction of East Asia and her "high ideals" regarding China are fundamentally different from the "imperialistic profiteering and exploitation policies" which the Powers executed in their colonial possessions at the end of the last century. Mr. Arita will tell the newsmen, according to Domei's informant.

The information given to Domei was a forcast in general terms of what Mr. Arita was expected to say. It did not constitute an official summary of the Foreign Minister's anticipated statement.

It is inevitable that Japan should play the leading part in the reconstruction of East Asia and Japan's lofty ideals in this respect will be emphasized by Mr. Arita. The Foreign Minister is expected to give a clear explanation of the fundamental policies Japan intends to pursue in building a "new order."

He will try to let the world know that Japan is planning to establish a new order on such a high plane that it will be conductive to lasting peace in East Asia and thereby set an example to the Powers. The fundamental necessity for co-operation between Japan, Manchoukuo and China will be emphasized.

### No Intention of "Bloc"

In order to attain the objective of the creation of a new order in East Asia, in other words, to build a bulwark against the influx of red influences, to enhance the welfare of the people and to encourage cultural advancement, close co-operation is indispensable between Japan, Manchoukuo and China in the fields of politics, culture and economics, Mr. Arita will say.

Such co-operation should not be interpreted as an attempt of the three countries to form a "bloc" of their own, just because other Powers are forming economic blocs, the Foreign Minister is expected to point out. Mutual assistance among the three nations in this part of the world is vitally necessary to build a new order in East Asia, regardless of what other Powers are doing, he will explain.

Fully conscious of the leading part she is destined to play in the reconstruction of East Asia, Japan embarked on a campaign of "Chastisement," Mr. Arita will state.

Japan is firmly determined not to draw back one step in her progress toward her ultimate objective, which she is resolved to attain despite all the ordeals which may be encountered and no matter what the attitude of the Powers may be, the Foreign Minister is expected to say. Japan is fully satisfied that she is strong enough to achieve her objective, Mr. Arita will say.

### Powers Under Misunderstanding

He is expected to contend that the Powers are labouring under misunderstandings and erroneous conceptions as regards the question of their rights and interests in China. The guiding principle of Japan's plans for the reconstruction of East Asia is not exclusive and selfish, but is designed to aid mutual prosperity and co-operation of members of the family of nations, Mr. Arita will assert.

Third Powers have mistaken ideas about Japan's enterprises, he will point out. Establishment of the Central China Electric Company, wharf warehouse projects and Customs supervision are wrongly and unjustly regarded by the Powers as typical examples of an exclusive and selfish policy on the part of Japan, the Foreign Minister is expected to declare.

If there had been unfair conduct in the establishment of the Central China Electric Company the question of discriminatory action might arise, but the organization of the company did not constitute *ipso facto* any infringement of third Power interests, Mr. Arita will maintain.

In this connection the Foreign Minister will assert that the oft-discussed question of impairment of third Power rights and interests is based upon misunderstanding on the part of the Powers.—Domei.

## More Soviet Munitions Coming to China

Tokyo, Dec. 12.

Strengthening of two arms routes have increased shipments of Soviet munitions into China, while a third artery is nearing completion, a report reaching here from Suiyuan, capital of Suiyuan province, said today.

Larger quantities of Soviet arms and ammunition are coming through Urga, capital of Outer Mongolia. This route, it was explained, starts from Uranude on the Siberian Railway line at the eastern shore of Lake Baikal running southward to Urga and through the western section of Outer Mongolia. The other route goes through the Sinkiang province.

A much shorter route will be made available when the railway line from the Soviet Union-Outer Mongolia frontier to Urga is completed by the end of this year. This route is expected further to increase arms traffic because of the geographical advantage over the one through Sinkiang, the report said.—Domei.

### Soviet Influence Increased

Tokyo, Dec. 17.

Conversion of the north-western provinces of China, including Shensi and Kansu, into a "Soviet armed camp" was reported in a dispatch reaching here today from Sinchiachwang.

Quoting a reliable source, the message said officials of the Chiang Kai-shek régime had admitted that Soviet assistance to China was increasing.

The message said 100 Soviet sharpshooters, 26 heavy guns, tractors and 20 motor lorries of Soviet make arrived at Hwaiyin, west of Tungkwan in Shensi province, from Sian, capital of Shensi, on November 26.

During the early part of November many Soviet surveyors were reported to have arrived in Sian and surveyed districts there in preparation for construction of the so-called "red route" between Paoki in western Shensi and Lanchow, capital of Kansu.

Soviet planes piloted by Soviet airmen have flown into Kansu from Russian territory and marks on them were changed to Chinese Nationalist emblems at Lanchow, the message further claimed.

### Soviet Soldiers Seen

Fully armed Soviet soldiers were said to have been seen outside the walled city of Lanchow during November.

The message added that 130 Soviet-made motor lorries and other types of vehicles operated by Russians are now in Lanchow.

Following the fall of Hankow and Canton the number of Russians in the district was said to have increased to 600 in November. In October there were 50, the message stated.

Soviet army officers are arriving in Lanchow by air in increasing numbers while arms and ammunition were being received at Urumchi and then transported to Lanchow, the dispatch asserted.

A road between these two cities was repaired recently, according to the message.

A 24-passenger motor bus operates between Sian and Lanchow once a day, the message said.

Despite reports that Gen. Chiang Kai-shek had ordered a general offensive to recapture Canton on December 15, no indications of such activities were to be found along the Japanese front lines since Thursday, a dispatch from Canton said today.

Japanese scouting planes, however, were said to have discovered that Chinese troops had energetically destroyed all roads north of a line between Tsungfa and Yuntam. The report said the Chinese were constructing defence works in that area in an attempt to check the Japanese drive northward along the Canton-Hankow Railway.

Chinese reports claim that heavy concentrations of Chinese troops are now moving near Yingtak on the Canton-Hankow Railway.—Domei.

## *Shanghai Would Be A Good Hostage*

Tokyo, Dec. 17.

"At the present moment, Japan cannot concede the Yangtze navigation issue," says Mr. Chuzo Mitsuchi, veteran Japanese statesman, in discussing the political and military situation in China, whence he has just returned from a tour.

"If Japan should yield now," he continues, "the heavy sacrifices we have made so far would all be nullified.

"If Great Britain, the United States or France should retaliate with economic measures," Mr. Mitsuchi points out, "Japan has only to strike at Shanghai, which to those Powers is a precious child.

"In this sense, Japan has a very powerful hostage to fall back on in time of need."

Mr. Mitsuchi has, at various times, been Chief Secretary of the Home Ministry and Minister of Finance, Communications and Railways.—Reuter.

## Seiyukai Press for Stronger Stand

Tokyo, Dec. 14.

Complete "obliteration" of the Chiang Kai-shek régime, with the continued pursuance of the military operations, was declared a prerequisite to all other projected plans for the development of a new China in the ten-point resolution adopted today by the China Affairs Committee of the Seiyukai Party.

The resolution was as follows:

1.—The stabilization of East Asia must result from the China Incident.

2.—The Chiang Kai-shek regime must be obliterated.

3.—Political, economic and cultural co-operation between Japan, Manchoukuo and China must be effected.

4.—Foreign Powers must be made to understand the new situation in Esat Asia and they should be asked to co-operate with Japan in building up a new order in East Asia.

5.—Full preparations should be made against protracted warfare by co-ordinating the national defence of Japan and the military forces to be stationed in the occupied areas of China.

6.—The organization of a unified central government of new China should be vigorously assisted by Japan.

7.—Adequate measures should be taken for solving the currency problem in China.

8.—Restrictions on trade between the "yen bloc" countries should be modified.

9.—Communications arteries throughout East Asia should be completed.

10.—The economic rehabilitation of China should be started through the development of agriculture.—Domei.

## Japan's Trade with Yen Bloc Countries

Tokyo, Dec. 13.

Japan's trade with Yen bloc countries, including Manchoukuo and China, from January to November inclusive, has ended with the favourable balance of Y. 543,593,000, according to the official figures which have been released by the Finance Ministry.

Japan's trade with Manchoukuo, China, Antung Leased Territory and Hongkong totalled Y. 500,501,000 imports and Y. 1,056,598,000 exports, with the excess of exports over imports at Y. 556,097,000.

With Hongkong, during the period under review, Japan's trade amounted to Y. 1,233,000 imports and Y. 14,737,000 exports.

Well-informed circles believe that Japan's trade with Yen bloc countries will this year result in a favourable balance of Y. 630,000,000.

Japan's trade with other foreign countries, however, showed an excess of imports over exports to the amount of Y. 580,000,000.—Reuter.

## Gen. Telfer-Smollett in Japan on Holiday

Tokyo, Dec. 14.

Major-General A. P. D. Telfer-Smollett, Commander of the British forces in Shanghai, who has just been appointed Lieutenant Governor of Guernsey and dependencies, and Mrs. Telfer-Smollett, arrived in Kobe this morning, from Shanghai, in the liner Empress of Canada.

After a two week's holiday in Japan, Major-General Telfer-Smollett and his wife will sail back to Shanghai in the Shanghai Maru, on December 28.—Reuter.

# Development Board Formed

## Cabinet Chiefs Take Leading Posts Supported By Specialists; Chinese Affairs Dominated

Tokyo, Dec. 16.

INAUGURATED as a central organ to deal with China affairs after months of planning, the long heralded Asia Development Board opened its offices this morning in the old building of the House of Peers. Four officials of the board were inducted into office by the Premier, Prince Ayamaro Konoye, at his official residence. They are Lt.-Gen. Heisuke Yanagawa, Secretary-General; Maj.-Gen. Teiichi Suzuki, Director of the Political Bureau; Mr. Shinrokuro Hidaka, Director of the Economic Bureau, and Mr. Takenosuke Miyamoto, Director of the Technical Bureau.

Parleys of the officials of the newly established Asia Development Board will replace the conferences of five Cabinet Ministers on China affairs, it was decided today. Diplomatic affairs which are outside the jurisdiction of the Board will as heretofore be considered by the five-Minister sessions.

The Premier, Prince Konoye is President ex officio of the board. The Foreign Minister, Mr. Hachiro Arita; the Finance Minister, Mr. Seihin Ikeda; the War Minister, Lt.-Gen. Seishiro Itagaki, and the Navy Minister, Admiral Mitsumasa Yonai, are Vice Presidents ex officio.

Lt.-Gen. Yanagawa, who commanded the expeditionary force in the Hangchow Bay landing on November 5, 1937, will serve concurrently as head of the Cultural Affairs Bureau.

A liaison committee will maintain contact between various government departments. A liaison department also will function as a contact agency between the board and Japanese authorities in China.

The board, under direct control of the Premier, will be in charge of the following affairs during the China hostilities:

1. Political, economic and cultural affairs which require action in China in connection with the hostilities, with the exception of diplomatic matters;
2. Formulation of policies relating to the above mentioned affairs;
3. Supervision of business corporations chartered by special legislation for conducting enterprises in China and also control of individuals doing business in China;
4. Unification and administration of China affairs handled by various governmental departments.—Domei.

### Local Office in Peiping

Tokyo, Dec. 16.

The Japanese Government has decided to establish a liaison department of the China Affairs Board in Peiping about the middle of January, according to the "Asahi Shimbun."

The agency, it is stated, will be a purely local office for the co-ordination of Japan's policies there, replacing the "Special Service" department of the Japanese Army.

Major-General Seiichi Kita is to be the first director of the liaison department, assisted by Major-General Hiroshi Nemoto. Both are experts on China affairs and on intimate terms with the leaders of the Provisional Government.

Emphasis is placed on the fact that the liaison department is to be a local Japanese agency for unification on the spot of affairs connected with China. In view of Japan's basic policy that she has no territorial ambitions in China, it will not bear any suggestion of a "government-general" over North China, adds the "Asahi Shimbun."

The various local Japanese agencies throughout North China will remain as they are, pending complete establishment of peace and order.

### Three Sections Established

The department is to be divided into three sections: general affairs (political), economic and cultural. However, as traffic and communications are considered important for national defence, a separate section for communications may be added.

The chiefs of the economic and cultural sections will be civil officials chosen from among Japanese experts.

A "Councillor" system is to be established in the department and Mr. Nichio Yuzawa, administrative adviser to the Provisional Government, Mr. Shigeo Odate, legal adviser, and Mr. Kiichi Sakatani, financial adviser, are to be the councillors.—Reuter.

## Big Film Centre for Shanghai Planned

Tokyo, Dec. 19.

Shanghai is destined to become the "Hollywood of China" under plans now being drafted for establishment of a film studio through the creation of the China Motion Picture Company under sponsorship of the Peiping and Nanking Governments, Domei learned today.

The semi-official cinema concern will be capitalized at Y.2,000,000 which will be subscribed by the two governments and civilian film companies.

Two studios, one large one at Shanghai to be devoted exclusively to the filming of "modern" pictures, and another on a smaller scale at Peiping which will be confined to the production of "old style" vehicles, are planned. The Shanghai studio will be ready for work not later than March.

Chinese actors and actresses will comprise the list of players.

Promoters of the firm are now pushing organization schemes following consultations with officials of the Manchurian Film Corporation and the major Japanese motion picture firms such as the Shochiku, and the Toho companies, it was understood.—Domei.

## Shipments of Coal from Tsaochwang Colliery

Tokyo, Dec. 16.

First of a series of coal shipments for Japan direct from the noted Tsaochwang colliery in southern Shantung province left Tsingtao on December 14 on the freighter Taisei Maru, according to a report reaching here today from Tsingtao. The shipment totalled 3,200 tons.

Second shipment of 3,800 tons is scheduled for tomorrow while the third shipment of 5,400 tons will leave December 23, the message said.—Domei.

## Damaged British Ship On Way to Nagasaki

Tokyo, Dec. 16.

Overcoming difficulties which caused her to send out distress radio signals earlier in the day, the British steamer Ridley, 4,993 tons, today reported that she was proceeding to Nagasaki, a dispatch from the Kyushu port city said today.

The distress signals, giving the British vessel's position as 28.51 degress north latitude and 128.59 degrees east longitude, brought the Japanese steamer Cheribon Maru, 4,041 tons, to her assistance. At the time when the Ridley was in difficulty, she was located south of Kyushu.—Domei.

When in Shanghai
stay at the
PALACE HOTEL
An Establishment which enjoys a World-wide reputation for comfort, cuisine and service.
THE HONGKONG & SHANGHAI HOTELS, LTD.
(Incorporated in Hongkong)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## SHANGHAI NEWS

# Brenan Piece Barricaded

### Italian Marine Patrol Fired Upon from Lane; 2 Policemen Disarmed; Coolie Shot by Japanese

Shanghai, Dec. 18.

IN a firm attempt to curtail any further armed crimes on Settlement Roads surrounded by Japanese occupied territory and in particular the vicinity of Brenan Piece, P.W.D. vans were kept busy from 5 o'clock yesterday afternoon until a late hour of the evening erecting barbed wire barricades everywhere where these territories gave access to municipal roads. Hundreds of knife-edged barbed-wire barricades were placed at all alley-entrances and smaller roads whilst with the approach of darkness police parties commenced searching pedestrians on municipal roads in an effort to apprehend armed gangsters who have been busy in the district ever since the hostilities first move away from Shanghai.

Police parties were mainly busy along Brenan and Kinnear Roads whilst Italian troops were understood to be patrolling Jessfield Road which forms part of their defence sector.

Earlier in the afternoon, at about 3.10 o'clock, a small Italian patrol which had just engaged in Lane 174 Brenan Road on a routine patrol duty, is understood to have been fired upon from a house. Immediately reinforcements were rushed up and thrown around the lane, a number of Italian officers and officials from Bubbling Well Police station searching for suspects in the various houses and attempting to find the used cartridge case. Whilst this was not found, at least one suspect who had been running in one of the alleyways when the patrol consisting of an officer and four men, was passing, was apprehended and is at present being questioned. He claims to be a workman in one of the factories in the lane and is understood to have told investigating officers that he knew nothing.

A high police official questioned in the later part of the afternoon, with regard to the increase in armed crime in the vicinity of Brenan Piece, said that the police were taking an increasingly serious view of the situation as between 30 and 40 armed robberies had been committed within the last month as compared to the three or four that were the average there prior to hostilities. In view of the fact, however, that the territories do not fall under the jurisdiction of the Council, the police were only in a position to patrol the extra-Settlement roads which give only very limited scope for their work.

#### Big Gang Responsible

The armed gangs operating in the district, are believed to be numerous, although ballistic evidence goes to prove that one big gang in particular is responsible for the majority of crimes committed in the district in recent weeks. It has been found that besides pistols, rifles are also in the possession of the criminals, who appear to be well supplied with arms and who seem to feel quite safe in Japanese controlled territory inasmuch as that only a small number of Ta Tao policemen are armed, the remainder carrying batons only.

Evidently the large number of gambling dens in the vicinity of the area, is to a great extent responsible for the increase in armed crime there. Cars have repeatedly been held up by armed gangsters and the occupants robbed of everything, whilst inter-gang jealousies are also responsible for a great number of crimes.

Police gave particular attention yesterday evening and during the early morning hours, to the vicinity of Lane 174, Brenan Road, as it is this spot that various crimes were committed during the past few weeks.

Thus for instance the two C.P.C.s who were disarmed on Brenan Road early yesterday morning, encountered the numerically very much superior criminals at that spot, whilst in the early morning hours of December 14, a police party was shot upon at the same point, although no one was injured.

The Reserve Unit also took part in last night's searches, having since a considerable time been performing flying patrols in the district, during the night. Last night, however, they were searching all pedestrians and it was expected that the element of surprise in the measures taken, would with all probability yield some results.

#### Crime Area Wired Off

The barricades placed along Jessfield Road from Kinnear Road to Brenan Road and then from Brenan to Kinnear Roads, thus enclaving what is believed to be the heart of the crime ridden area, extend over a distance of several miles and make it impossible for anyone either to approach or leave Brenan Piece. It could not be learned last night for how long these barricades were to remain there but it was presumed that they would not be moved for at least two or three days.

Although preparations for last night's activity of the police, has been under way for the past number of days, the various incidents occurring since Friday, seem to have been responsible for the speed and efficiency with which the various police parties performed their duties in the district last night.

Before daybreak yesterday, a coolie who was pulling a cart loaded with old iron bed-steads, was shot at and killed by Japanese sentries at the corner of Tungsing and Keswick Roads after he had not used the road, crossing barbed wire defences which separated the Japanese occupied territory from the British sector. The victim whose name was given as Tsang Kuo-tsai, 39, was rushed to the Red Cross hospital on Avenue Haig but was found to have died on the way. It is understood that British and Japanese military authorities are at present investigating the incident as statements of what actually happened at the time are contradictory, certain quarters alleging that the Japanese had actually fired at the coolie when he had already reached the British sector. It was also reliably learned last night that a joint meeting of British and Japanese military authorities is to take place in the near future regarding the occurrence, but nothing definite could be learned.

#### Trucks Filled With Police

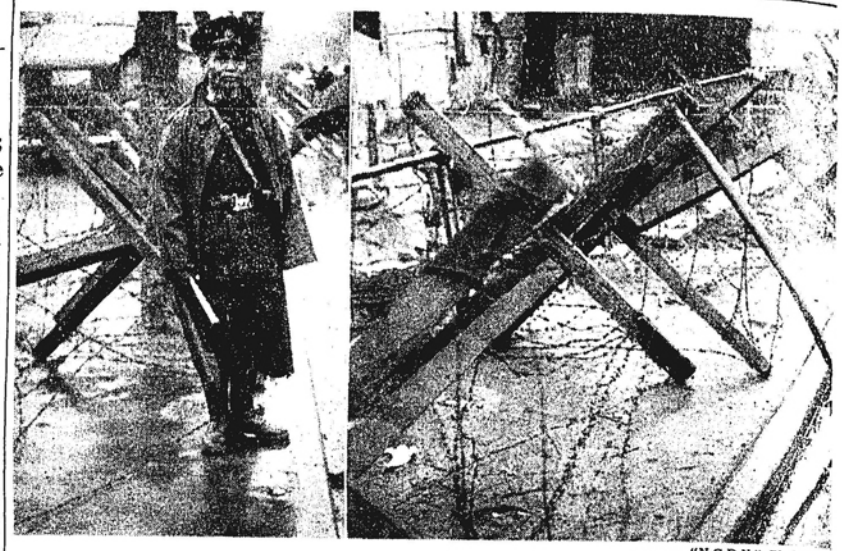
A visit to the area, made by a representative of the "North-China Daily News" shortly after midnight, revealed that the police were prepared to fight if necessary. Whilst heavy P.W.D. trucks were still rushing knife-edged barbed-wire barricades to various strategic points, particularly the vicinity of Jessfield Park, smaller trucks were manned by foreign and Chinese members of the Riot Squad. The foreigners for the greater part, being armed with submachine guns whilst Chinese constables on duty at the various points, held their pistols in hand.

The usually very lively district last night resembled in every respect the atmosphere to which Shanghai had been accustomed during hostilities. Hardly anybody was to be seen on the streets whilst as early as 11 o'clock, nearly all the shops were closed. In front of the barbed-wire barricades, C.P.C.s were posted in large numbers at least one Italian military patrol being seen marching along Brenan Road with fixed bayonets.

At 12.45 o'clock, no arrests had as yet been made and according to a police official none were expected as it was not anticipated that any untoward incident would occur unless the gangsters should choose to open fire on the police.

The Reserve Unit was continuously patrolling the district while at least five police vans packed with C.P.C.s were slowly proceeding down Jesfield Road, ready to dash to any point where fighting between the law-breakers and the police might break out.

Assistant-Commissioner R. W. Yorke personally supervised operations and was continuously driving along the various heavily guarded roads



"N.C.D.N." Photos.

**Barbed Wire Against Jessfield Gangs**

*Many scores of "knife rest" barricades like those shown above have been placed by the P.W.D. along the western extra-Settlement roads to assist the Police in coping with the gangs of outlaws operating from "Ta Tao" territory. The barbed wire may be seen in Jessfield Road, Brenan Piece, Brenan Road and other thoroughfares.*

## British Universities' Society Affair

Shanghai, Dec. 13.

Many members of the British Universities' Society of China gathered in the Dome last night to enjoy a very well chosen and varied programme of music, Mmes. E. L. Vitenson, E. Badeley, Myrna Bancroft Olive and Mr. I. Shevtzoff executing the various muscial items with artistic accomplishment. Their very good performances were widely applauded by those present.

Dinner was then served after which there was dancing.

## Export Tariffs in Shanghai

Shanghai, Dec. 15.

"Changes in export tariffs are taking place so quickly that the Customs cannot keep up with them," was the declaration of a Customs official, according to a correspondent at yesterday's press conference. He cited the case of a private individual who wished to export a fur coat. The gentleman approached the Customs and was told that there was no export duty, but two days later on shipment, he was charged $21.40.

Commenting on the statement, the Japanese Embassy spokesman stated that he had no knowledge of any changes in the tarrifs since the promulgation of the new rates last spring.

The correspondent added that he had tried to obtain a copy of the tariffs from the Custom House, but was told that the only copy was in the Japanese language and was somewhere in Hongkew—would the Embassy spokesman clarify the position? In reply the latter stated that the spring tariff had been printed and distributed; it was a matter for the Customs to handle and not the Japanese.

To another question, the Embassy spokesman stated that the Customs took their instructions from the Ministry of Finance of the "Reformed Government."

Interrogated regarding impositions such as the likin and other taxes which were being collected in the Shanghai area, the spokesman placed himself on record as saying that the "Customs only had authority to collect duties, others were illegal."

He promised to obtain such information, however, that was available regarding tariffs.

## Tung Wen Graduates To Get Posts

Shanghai, Dec. 19.

One hundred prospective graduates of Tung Wen College, local Japanese school, and 37 from the Japanese Commercial School have been assured of a real "commencement" next March with each of the latter group assigned to a position ranging in salary between Y.100 and Y.120, the Shanghai "Mainichi" reported yesterday.

Thirty of the Tung Wen graduates will remain in Shanghai to serve in the local branch offices of leading Japanese firms while the remainder will be apprenticed at the head offices in Japan and will be sent back here after one year.

Knowledge of the Chinese language coupled with the advantage of being accustomed to local affairs have created an unprecedented demand for their services in Japanese business circles here since last August, the journal said. Of the Japanese Commercial School graduates, 21 have indicated plans to enter business while the remaining 16 will pursue a higher education in Japan.

Local business concerns have been "snubbed" by these prospective employes with the entire list absorbed by the major firms such as the Mitsui Bussan Kaisha, the Mitsubishi Shoji Kaisha, the Bank of Chosen and the Yuwai Company, all with headquarters in Tokyo.

## Efforts to Break Ban on Rice

Shanghai, Dec. 14.

As a counter policy against the restrictions placed by the Shanghai Municipal Council on the exportation of rice in Shanghai to outports especially to northern ports, merchants from the north who have failed to buy rice in Shanghai are now reported to be co-operating with the Japanese in sending rice right from the Japanese-occupied districts in the interior to North China. Only Yangtszepoo is made a place of call by rice boats from the interior, it is stated.

Rice dealers in Shanghai are said to be viewing the situation with anxiety and so are the Chinese people here who do not like to see rice being exported from this port fearing that there might be a shortage. It is stated by rice dealers here that the number of rice boats arriving in Shanghai has been decreased in view of the direct transportation scheme worked out by rice buyers from the north.

Although the new scheme of obtaining rice by northern dealers may not affect Shanghai at present as there are 700,000 bags of rice stored in various Shanghai godowns, it will do so if matters are allowed to take their natural course. Shanghai godowns are filled with so much rice at present that dealers have stopped importing rice to this city from rice-producing districts, Chinese reports state.

Some weeks ago, it will be recalled, rice dealers here agitated for permission to export rice to outports. They asked the Customs authorities to lift the ban on interest transportation of rice but their request was turned down on the ground that their appeal should first be accepted by Settlement authorities. To meet the merchants half way, the Shanghai Municipal Council recently allowed only 50,000 bags of rice to be exported to outports. As to the future policy no official predictions have been made.

The Chinese people have been opposing the exporting of rice to outports from Shanghai because they fear also that rice, especially that which is detined for North China, may not be for the civilian use. They do not desire to experience a rice shortage having once had the painful experience. Besides the official restrictions, police authorities are said to be guarding the city against rice smugglers. Passengers aboard outgoing steamers who carry more than one bag of rice will be discouraged.

## *Curfew Waived for Holidays*

Shanghai, Dec. 20.

The Japanese naval spokesman stated yesterday that the Japanese naval authorities had waived the curfew regulations north of the Soochow Creek, inside the Settlement limits on the nights of December 24, 25, 31 and January 1, for third party nationals only.

## Reform of S.M.P. Canvassed

Shanghai, Dec. 17.

Mr. Chikayuki Akagi, Japanese Special Deputy Commissioner of the Shanghai Municipal Police, is willing to resign in favour of "a more capable and talented official" at any time the Tokyo Government requires him to take such a step, the "Shanghai Mainichi" reported last night in a featured report quoting the Japanese official at length.

"During the five months I have been in office," the "Mainichi" reported Mr. Akagi as saying, "I have heard many criticisms and suggestions regarding my work, but what alternatives are there to the steps I have been taking?"

"I cannot take any drastic measures in the proposed reform of the Municipal Police," Mr. Akagi was stated to have declared, pointing out that the S.M.P. was not a Japanese governmental organization, but an institution in which the conflicting interests of third-party Powers were in constant evidence.

"We must take a long view," Mr. Akagi was quoted as saying. "Reforms as well as other measures will have to be undertaken step by step."

#### Reorganization Justified

Japan, "as a victorious nation", the Special Deputy Commissioner was further reported to have said, would be justified in demanding a partial reorganization of the S.M.P.

"But such claims, no matter how just they are, are not compatible with the organization of the S.M.P. which has already developed a history and tradition of its own," he was said to have added.

The Municipal Council, the "Mainichi" said quoting Mr. Akagi, had shown a "very considerate" attitude towards Japanese demands, which were now on the eve of realization up to a certain degree as negotiations were reaching their final stage.

Mr. Akagi, however, declined to divulge the reform plans asserting that the time for that was still immature.

## Japanese Boy Scouts to Resume Activities

Shanghai, Dec. 13.

With Mr. Gengo Yasui, a prominent member of the local Japanese community, at its head, the Federation of Japanese Boy Scouts in Shanghai will soon resume its activities interrupted since the outbreak of the hostilities last year when most of its members were evacuated to Japan.

The post of Scout Executive became vacant with the departure of Mr. Yasuo Matsumoto. Mr. Shinrokuro Hidaka, who left Shanghai yesterday after serving for eight and a half months as Consul-General, was honorary executive *ex officio* but his quest for an executive was in vain until the eve of his departure when Mr. Yasui announced his acceptance of the proferred post.

Organized in 1928 by Mr. Shichitaro Yada, Japanese Consul-General here, the Federation has had two retired naval officers and one civilian at its head.

In 1931, the scouts played a prominent part as messengers, interpreters, and impromptu postmen during the brief Sino-Japaneseese conflict here.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# Japanese Open Drive on Pootung Guerrillas

Shanghai, Dec. 15.

Prices of vegetables in various markets in Shanghai suddenly jumped yesterday because only a few vegetable hawkers could cross the Whangpoo to the foreign settlements from Pootung where the Japanese are reported to have started large-scale military operations against Chinese guerrillas. The ferry service between Pootung and foreign settlements was almost completely paralyzed and so was the light railway communication on the peninsula, as military requisitioning was going on.

According to Chinese sources the authorities in Pootung allowed a few vegetable hawkers from the country to cross the river between 5 and 6 a.m. only. According to refugees from Pootung, leaders of Chinese guerillas had concentrated their men at strategic points and were ready to dash to Nanwei and Chwangsha where most of the guerrillas were believed to be hiding.

In trying to clear the peninsula of guerrillas the Japanese garrison forces were said to have called for reinforcements from Hongkew. About 2,000 additional Japanese soldiers were thus ordered to proceed to Pootung on Dec. 13 from Hongkew and fighting was said to be going on in several villages. Chinese civilians were again fleeing for their lives, one Chinese evening report stated. Some mutinous guerrillas were stated to be co-operating with the Japanese.

### "All Spies"

Dec. 16.

Alleging that almost all Chinese in Shanghai were spies, the Japanese army spokesman asserted yesterday that Pootung and local guerillas had a base in the foreign-controlled areas of the port. From this headquarters information was sent by word of mouth to the guerillas. To the suggestion that it would be difficult to smuggle arms outside the area through Japanese lines, he offered no comment.

During the past ten days the Japanese army, navy and air force had made extensive assaults on units on Tsungming Island, Pootung, and the districts north of Nanking on the south bank of the Yangtze, inflicting heavy losses on the Chinese and capturing many rifles and much military equipment. Japanese losses were nominal, he said.

### New Situation

Dec. 18.

After nearly a week's fighting in which aeroplanes were used by the Japanese the guerrilla warfare in Pootung has created a new situation in which the guerrillas have now withdrawn and further divided themselves into smaller units to avoid a frontal attack, according to Chinese evening reports yesterday. It is asserted that it does not pay for the Japanese to start this new drive against the Pootung guerrillas who have thus preserved their strength.

The Japanese are stated to have called reinforcements even from Kashing and Sungkiang for the new campaign against the guerrillas on the peninsula, where several villages have suffered terribly from the fighting. Nanchiaochen is said to have been burned. After fighting gallantly for several days and nights the guerrillas are said to have divided themselves into smaller units and scattered near outskirts of Nanwei, Fenghsien and Chwangsha, all in Pootung.

In the latest anti-guerrilla drive the Japanese are said to have mobilized about 4,000 men while the Chinese mobile units are claimed to be of equal strength. In all engagements both sides have lost heavily, but the Chinese have preserved their strength more by scattering, leaving behind "dead" villages for the Japanese, it is stated.

After three days' suspension one ferry service between Pootung and the foreign settlements was reopened yesterday, thus allowing hundreds of stranded villagers to travel from Pootung to the foreign settlements and vice versa. The ferry service between Tungchang Road in Pootung and the Peking Road Bund, however, was still closed. Other ferry services in the southern section of the Whangpoo remained closed on account of military operations.

# Jardine Ship Makes Another Record

Shanghai, Dec. 14.

A matter of interest to the shipping fraternity—if not for intending travellers who may be in a hurry to reach their destination—is the news just to hand that Jardines new steamer Taisang, which left Shanghai on the afternoon of Dec. 11, reaching Swatow early on Dec. 13, making the journey in 42 hours—which is approximately 6 hours better than Wosang's recent effort.

**Presentation of Birthday Honours**

*At an official ceremony held at the home of Sir Archibald Clark Kerr, H.M. Ambassador, on Dec. 19, nine Shanghai recipients of Orders from His Majesty the King, were presented with their insignia by the Ambassador. Picture (top left) shows Mr. A. Tahourdin, the Ambassador's Secretary, Lady Clark Kerr and Capt. R. Edwards, Naval Liaison Officer, during the ceremony. Mr. A. H. George, Commercial Counsellor of the Embassy, is seen receiving his insignia (top right) while below are pictured Capt. H.M. Smyth, Deputy Commissioner, S.M.P., and the Ambassador and (right) Sir Herbert Phillips, H.M. Consul-General and the Ambassador.*

# Birthday Honours Presented

## H.M. Ambassador Confers Insignia of Orders Upon Shanghai Recipients at Official Ceremony

Shanghai, Dec. 20.

IN the presence of a distinguished gathering representing the British community in Shanghai, Birthday Honours bestowed upon Britons resident in the city by His Majesty the King were formally presented to the recipients by Sir Archibald Clark Kerr, H. M. Ambassador to China, at the Ambassadorial residence, Tunsin Road, last night. Represented at the function were the British Embassy, H. M. Supreme Court for China, H. M. Consulate-General, the Royal Navy, the Army and Royal Air Force, the Shanghai Municipal Police, the Shanghai Volunteer Corps and the local civilian community.

The list of presentations was as follows: K.C.M.G., Sir Herbert Phillips, H.M. Consul-General; K.B.E., Sir Robert Calder Marshall, chairman of the British Chamber of Commerce, trustee of Holy Trinity Cathedral and a leading member of the British community; C.M.G., Mr. Anthony Hastings George, Commercial Counsellor of the British Embassy Offices in Shanghai; O.B.E., Capt. Henry Malcolm Smyth, Deputy Commissioner, Shanghai Municipal Police; M.B.E., Mr. Herman Frederick Baker, Secretary of the British Chamber of Commerce; Mr. William Coxon Scott, Accountant of H.M. Consulate-General; M.B.E. (Military Division), Maj. C. E. Howard Vyse, Royal Engineers; Capt. John Denham E. Shotter, S.V.C., manager and chief engineer of the China General Omnibus Company Ltd., and a prominent member of the Royal Air Force Association of Shanghai, who played a large part in the organization of transport during the emergency; and C.S.M. James Keil of the 1st Batt., the Seaforth Highlanders.

In making the presentations the Ambassador said: "I have asked all of you to come today because it is to be my privilege, by the command of the King, to deliver to nine of His subjects and our fellow countrymen, the insignia of the orders which His Majesty has been graciously pleased to confer upon them.

### Well-Deserved

"I have tried to gather about each one of them those of their friends and associates, whom I, in their place would like to see about me in similar circumstances. As I have said it is my privilege to deliver these insignia to their recipients. It has been their privilege and thier achievement, each one, to win this special mark of His Majesty's confidence and approbation. We all know that these honours were earned in circumstances of uncommon difficulty and how well they are deserved. I am proud to be the means by which each one of these honours passes to the recipient. I should like to congratulate them all very warmly."

Before the commencement of the ceremony the guests were received by Sir Archibald and Lady Clark Kerr, and after the presentations champagne was served and the health of the recipients drunk, the Ambassador giving the toast. As the guests departed each one was presented to the Ambassador and his wife.

### List of Guests

In addition to the recipients there were present:—Lady Phillips and Miss Phillips, Lady Calder Marshall, Mrs. H. F. Baker, Mrs. W. C. Scott, Mrs. J. D. E. Shotter and two sons, Mrs. Howard Vyse and Mrs. J. Keil.

Representing the British Embassy were Mr. W. D. Allen, Mr. Prideaux Brune, Mr. and Mrs. Cooper, Mr. and Mrs. A. T. Cox, Capt. Ralph Edwards, Naval Liaison Officer, Mr. S. E. Faithful, Mr. and Mrs. Hayter, Capt. P. F. James, R.N., Wing Commander and Mrs. H. S. Kerby, Mr. and Mrs. R. H. Scott, and Lieut.-Col. Spear, H.M. Military Attache.

From H.M. Supreme Court were Judge Sir Allan and Lady Mossop, and Judge P. Grant Jones.

H.M. Consulate-General was represented by Mr. and Mrs. A. G. N. Ogden; Mr. S. G. Beare, Mr. and Mrs. Thomas, Mr. G. W. Creighton, Mr. and Mrs. A. J. Evans, Mr. and Mrs. J. F. Ford, Mr. and Mrs. R. S. Heaney, Mr. and Mrs. A. Veitch, Mr. W. G. Tice, Mr. and Mrs. Williams, Mr. and Mrs. McLaughlin, Mr. and Mrs. H. N. Steptoe and Mr. and Mrs. Barton.

From the British Chamber of Commerce were Brig.-Gen. E. B. Macnaghten, Messrs. C. H. Arnhold, N. G. Beale, L. J. Davies, G. A. Haley, M. Reader Harris, A. S. Henchman, J. R. Jones, W. J. Keswick, P. W. Massey, G. E. Mitchell, R. D. Murray, T. S. Powell and H. G. W. Woodhead.

Representing the British military forces were Lieut.-Col. E. L. L. Acton, commanding the 2nd Batt. East Surrey Regiment; Lieut.-Col. R. A. Wolfe Murray, commanding the 1st Batt., the Seaforth Highlanders; Maj. B. H. Ashmore, Brigade Major and Mrs. Ashmore. From the Shanghai Municipal Police were Major K. M. Bourne, Commissioner; Mr. and Mrs. S. C. Young, and Mr. and Mrs. C. W. Gilbert. The Shanghai Volunteer Corps were represented by Col. J. W. Hornby, Maj. C. J. Corbin (Welch Regiment), Brigade Major, and Capt. W. M. Graham.

# Foreign Drivers Taxed On Road to Minghong

Shanghai, Dec. 19.

Foreign drivers proceeding along the road to Minghong yesterday were halted at Chung Shan Road by a small group of Chinese dressed in ordinary clothes, and made to pay—in most instances—a dollar per car to the "Peace Maintenance Society of Tsao Ho Ching District, Shanghai Municipality."

Many prominent Shanghailanders who traversed the road because of the paper-hunt were thus "taxed" in Japanese-controlled territory, very close to Siccawei. In some cases, it is understood, the drivers refused to pay, but in a large majority of instances they did produce a dollar and, in return, were given an official-looking receipt bearing the stamp of the "Peace Maintenance Society."

Although the receipts simply bore the notation, in pencil in Chinese characters, that $1 had been received from a motor-car, some of the drivers were told that the money was wanted for road repairs. According to one of the motorists, however, there was no evidence whatsoever of road-work in the district, and the main road was in such good condition that no repairs seemed to be called for.

The Chinese who were collecting the "tax" operated from a small shed erected at the Chung Shan Road intersection.

# Mr. Tani Departs For Tokyo

Shanghai, Dec. 19.

Mr. Masayuki Tani, who has been Japanese Minister-at-large stationed in Shanghai, left here for Tokyo on a Douglas plane of the Japan Aviation Company at 9.30 o'clock yesterday morning.

Mr. Tani was summoned to Tokyo by government officials and it has been reported that he will be appointed Ambassador to France. No official confirmation of this report has been given out.

A farewell cocktail party held by Mr. Tani at the Astor House Hotel on December 17 was attended by about 100 guests, including Japanese military and naval officers, diplomatic officials and leaders of the Japanese community.

# Reconstruction in The Interior

Shanghai, Dec. 17.

Refugees in the interior are well taken care of although there are a few unavoidable exceptions. There are good signs of modernization in southwestern provinces where reconstruction programmes are being carried out on a large scale. Politically, the Chinese people are more determined than before to continue the war as the nature of terrain is more in their favour than before.

These are the main impressions obtained by Dr. J. E. Baker, of the International Committee of the China Red Cross Society, who addressed the American University Club yesterday at tiffin, presided over by Mr. Arthur Bassett, president of the club. His data was obtained during a refugee work inspection trip which he had just completed.

Mr. Baker said that he had gone to practically every province in the vast southwest and Kwangsi untrodden by the Japanese but that he saw real refugees carrying small bundles of personal belongings only when he reached the border of Hunan. Well-to-do refugees, many of them, well educated, were living in provincial capitals specially Chungking, already over-crowded with people. While this latter group was said to be able to take care of itself, the destitute cases in Hunan had to depend on philanthropy under official supervision, being given food and transportation facilities in a systematic way.

There are many signs of gradual modernization in the interior, according to Dr. Baker, who cited the power plant in Yunnanfu as an example. He said that the plant was supervised by a former Shanghai expert and that since he became superintendent, the plant has given much better service. A former college professor was said to be at the head of a group of intelligent men responsible for carrying out various industrial, economic and agricultural reconstruction programmes. They are paying particular attention to the mountainous country in Kweichow where thousands of animals can be cared for.

Dr. Baker met officials in Chungking and Hongkong in order to discuss the relief plan and he revealed that as a result of his conference with Mr. Hsu Shih-ying, chairman of the Central Relief Committee, it was decided that foreign relief organizations should work in Japanese-controlled areas while the Chinese themselves would take care of refugees in the interior in co-operation with mission workers.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

*SHANGHAI NEWS (continued)*

# End of H.M.S. Bee

## Gunboat to Be Sold for Breaking-Up at Shanghai; Famous Ship's Distinguished Career

Shanghai, Dec. 14.

IT is always a sad moment when the time approaches to say good-bye to a friend, and it will be with such emotions that present and past officers and men of the British Yangtze Flotilla learn the news that the career of H. M. S. Bee, the "Grand Old Lady of the Yangtze", has come to an end. Although the vessel is still officially in commission, with the arrival of H.M.S. Scorpion from Hongkong on or about December 21 the Bee will be sold to be broken-up. H.M.S. Scorpion, a new vessel of 585 tons, is at present undergoing trials in the Colony, preparatory to replacing the Bee on the Yangtze.

From Royalty downwards—for the Duke of Kent, as Prince George, served in the Bee on the Yangtze—there will be many who recall both dangerous and pleasant experiences as members of the gunboat's crew as she carried them through the Mediterranean, the River Tigris and Far Eastern waters. During recent years her name has become even more widely known as a result of adventures on the Yangtze during the hostilities.

For some weeks past the Bee has occupied a berth at the British naval buoys in the Whangpoo River, following a lengthy sojourn at the Yangtzepoo Dockyards where she was stripped of her guns and other machinery prior to being offered for sale. As she left the dock some weeks ago there must have been many whose minds flew back to that memorable day in 1916 when she slipped down the stocks of the Ailsa shipyard to commence her career as a small but very important unit of the Royal Navy.

### War Service

The second of her name, the first Bee was a screw paddle tug of 34 tons displacement built at Chatham and launched on February 29, 1842,

**Rear-Admiral R. V. Holt,**
*the Present Rear-Admiral, Yangtze.*

H.M.S. Bee is of 645 tons displacement and was built by the Ailsa Company during the Great War. Completed in 1916, she left Troon on March 22 of that year for Milford Haven and later for service in the Mediterranean. Reaching Port Said in October 1916, she was employed on Suez Canal service from then until May 1917. In June of that year the Bee served in Mesopotamia on the River Tigris. In January, 1918 she left for the Far East arriving at the China Station in April, having made the passage from Muscat to Hongkong in three months. Arriving at Shanghai in the same month, H.M.S. Bee commenced her twenty years' service up and down the Yangtze from that date.

From May to October 1921, the Bee was converted into a flagship for the Rear-Admiral, Yangtze, and it was in this year that her lines were altered. Built originally as a gunboat of the Insect class her six inch gun was removed and the Admiral's quarter placed in that position. Some years later, in the summer of 1928, the foremost six inch gun was removed and a wardroom erected on the forecastle. Since her arrival in China waters the Bee served under many distinguished officers of the Navy who, at the time, occupied the office of Rear Admiral, Yangtze. These included Rear-Admirals R. A. Crawford Machlachlan (1921-23), D. M. Anderson (1923-25), J. E. Cameron (1925-27), H. J. Tweedie (1927-29), C. K. Maclean (1929-31), R. A. S. Hill (1931-33), F. G. G. Chilton (1933-35), L. G. E. Crabbe (1936-37), and the present Rear-Admiral, Yangtze, R. V. Holt, who assumed the position in December, 1937.

The Yangtze career of the Bee has provided plenty of action for those serving aboard her and many times her guns have fired salvoes, not of all of them being during her regular practices. From 1930 to 1932, during which time the Bee spent most of her time in the Middle and Siang Rivers, she opened fire on many occasions on Communists who peppered the vessel from the banks of the river at a time when they were creating plenty of trouble in these areas. The artillery used in these actions were her three inch and Lewis guns and wherever she sailed the little vessel could deal out always more than she received.

### "Ladybird Incident"

In 1927 the Bee spent most of her time at Chungking, now the headquarters of Generalissimo Chiang Kai-shek, the Kiawo, now owned by Jardines, becoming temporary flagship. From this time until 1937 little was heard of the ship and for the first year and a half of Rear-Admiral Crabbe's term of office everything was peaceful—in fact more so than it had been for years,—but in the summer of 1937, when the Sino-Japanese hostilities commenced, that peace was shattered.

In the middle of August the Bee went down to Nanking, leaving the Rear-Admiral at Hankow, and there she remained until the end of November. During that time there were, of course, many air raids and although the Japanese bombed buildings within half-a-mile of the ship on numerous occasions not even so much as a splinter dropped on board. On September 20, the day before the Japanese had stated that Nanking would be severely bombed, the staff of the British Embassy embarked on the Bee, the latter returning to the city shortly after the raiders had visited the town and had carried out their threat. On November 22 the Embassy staff was taken on board once more and the ship sailed on the following day for Hankow.

During the second week in December the report spread that the Japanese would break through the Kiangyin boom and enter the Yangtze proper and so on December 10 the Bee left Hankow flying the flag of Rear-Admiral R. V. Holt. From then until Christmas all aboard had more excitement than they bargained for. Two days after leaving Hankow the vessel arrived at Wuhu, twenty minutes after the now famous Ladybird incident, and although one shell was fired at the ship (fortunately it missed its objective) the Bee was saved from a similar fate to the Ladybird by the prompt intervention of Captain G. E. M. O'Donnell and Lieut.-Col. Lovat Fraser (H. M. Military Attache) who, at great personal risk, ran towards the Japanese battery and ordered them to cease fire.

### Panay Bombing

On the following morning news was received that the U.S.S. Panay had been bombed and sunk and at 12 noon the Bee proceeded down the river with everyone on board prepared to do his best to aid any survivors of the terrible incident. At 2 p.m. that afternoon a huge column of oily black smoke was seen this, as was perceived later, emanating from the two blazing Socony oilers which had been bombed at the same time as the Panay. That same evening the Bee picked up twelve survivors from the oilers and from the Panay on the south bank of the river and the news was imparted that some of the remainder were on the north bank of the stream.

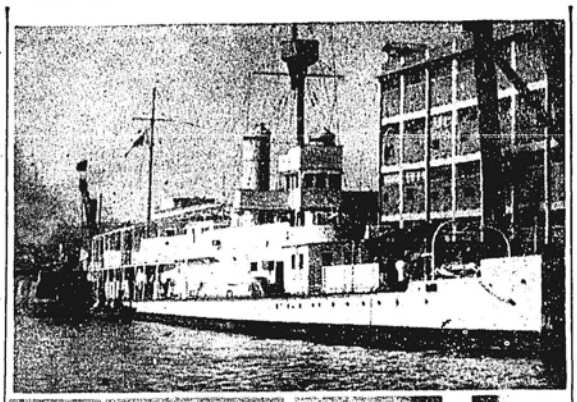
Before dawn, a search party led by Rear-Admiral Holt himself left the ship to search for the survivors and by 10.30 a.m. had gained contact with them by telephone but, as they were many miles inland nothing could be done at Hohsien and so the party returned to the ship to arrange the embarkation for that evening. At 4.30 p.m., the party again went ashore to Hohsien to await the arrival of the men from the Panay but it was not until 10.30 that they were sighted, all of them being embarked by 11 a.m. the following morning to be transferred to the U.S.S. Oahu and H.M.S. Ladybird, which were leaving for Shanghai.

On December 23 Rear-Admiral Holt transferred his command to the Cockchafer at the Matung boom and the Bee once more returned to Wuhu. From that time until she came to Shanghai the Bee spent her time plying between here and that city.

### Royal Sailor

Perhaps the most famous personality to serve aboard the vessel was the Duke of Kent, fourth son of the late King George V. and brother of the present King. As Prince George he was a familiar figure in British circles in Hankow where he was known and respected for his democratic principles and for the fact that he asked no favours, sharing the same life as all other officers and men on the Yangtze station and aboard the Bee.

Possessing as great a reputation in Yangtze circles as H.M.S. Robin on the Pearl River, H.M.S. Bee was a familiar sight to all British and other residents up and down the Yangtze and in the port of Shanghai itself. As she finishes a long term of faithful service the words "Well done" must be written boldly over her records.



*"N.C.D.N." Photos.*

**H.M.S. Bee Ends Distinguished Career**

*After 26 years' service on the Yangtze during which she served as flagship of the British Yangtze Flotilla, H.M.S. Bee is being decommissioned. The gunboat is seen alongside the Yangtzepoo Dock where her guns were removed. Below, two of the many Admirals who served in her. Left, Rear-Admiral L. G. E. Crabbe, right, Rear-Admiral F. G. G. Chilton.*

## President Liners to Call Here

Shanghai, Dec. 15.

The local offices of the American President Lines announced yesterday that their vessels will resume calling at Shanghai. The President Coolidge will call at Shanghai both eastbound and westbound, the first westpound call at this port being about January 30; the first eastbound call of the President Coolidge will be about February 11, sailing from Shanghai for Japan ports, Honolulu, San Francisco and Los Angeles.

The other Trans-Pacific vessels of the American President Lines' fleet, the President Pierce, President Taft and President Cleveland, which, together with the President Coolidge, provide a fortnightly Trans-Pacific service between Shanghai and San Francisco, Los Angeles, will call at Shanghai on the westbound trip on certain voyages and eastbound on others, the first of these vessels being scheduled to arrive at Shanghai from San Francisco, Honolulu and Japan about January 18. For the present, the American President Lines' round-the-world liners will not call at this port.

The familiar sight of the President liners steaming up the Whangpoo will be welcome to Shanghai. The American President Lines announced that these ships have been extensively reconditioned and a first class direct passenger and freight service between Shanghai and the California ports of San Francisco and California will again be available.

## Mr. Fu Siao-en Host At Cocktail Party

Shanghai, Dec. 15.

Mr. Fu Siao-en, new Mayor of Greater Shanghai, was host at a cocktail party at the Astor House Hotel yesterday evening to a large number of Chinese and foreign residents of Shanghai.

## Shanghai Architecture Interests Japanese

Shanghai, Dec. 13.

Shanghai, East Asian melting-pot of humanity, is also a vast conglomeration of all types of architecture, Prof. Hisao Yamashita, of the Tokyo Imperial University, believes after study of various buildings.

A visit to Shanghai, he told the Japanese press, is tantamount to a short trip around the world insofar as architecture is concerned.

Prof. Yamashita also made a study of the Shanghai sub-soil, which he believes has never been seriously undertaken here because of the fact that Shanghai is free from earthquakes.

From geological data Prof. Yamashita was said to have established that the present site of Shanghai probably was a densely-wooded strip of land which was silted down by Yangtze mud.

The depth of alluvial soil, poured over this wooded area, is now about 100 feet. The prehistoric strip of woodland still forms the demarcation between soil, brought by the river, and the original sand below, he was reported to have said.

## *Seward Road Bridge To Be Opened*

Shanghai, Dec. 14.

General traffic over the Seward Road Bridge spanning Hongkew Creek will be permitted beginning this morning, according to a statement issued by the headquarters of the Japanese Special Naval Landing Party yesterday.

## Coolie Critically Hurt in Hamilton House Fall

Shanghai, Dec. 15.

A Chinese cleaning windows on the fourth floor of the Hamilton House early yesterday afternoon lost his balance and, not being equipped with a safety-belt, fell to the pavement. He suffered skull fracture, and was taken by ambulance to the Lester Chinese Hospital in a critical condition.

A half hour later another Chinese fell from the second storey of a house at 2086 Yangtszepoo Road and was killed.

Victim of suicide by hanging, a third Chinese was removed from Bubbling Well Road, near Park Road, yesterday. He was pronounced dead at Paulun Hospital.

## Seaforths Entertained At Union Church

Shanghai, Dec. 15.

Union Church Women's Guild, assisted by members of the Tuesday Evening Club and a number of other friends, were hosts to a party of about 100 men of the Seaforth Highlanders at supper and an excellent concert given in the Church Hall yesterday evening. The party was arranged by the Guild, and the details were carried through by a sub-committee comprising Mrs. T. Hutchison as chairman, Mrs. C. W. Scott (president) and Mrs. J. A. C. Law, who had the assistance of a number of members of the Church, while the excellent musical programme, arranged by Mrs. Hutchison and Mr. O. G. R. Beynon (hon. secretary of the Men's Club) brought to the front talent of a high order.

The hall was very tastefully decorated for the occasion, and when the guests arrived at eight o'clock a very homely scene met their gaze. A bountiful meal was served, and then the visitors were warmly welcomed by the Rev. C. Wilfred Allan, Officiating Minister, who remarked that Shanghai was not unmindful of the service rendered by the regiment during the stirring incidents of recent months, and Union Church was glad of the opportunity to express its appreciation in a tangible way.

### Excellent Musical Programme

With Mr. Donald MacDonald presiding at the piano, the men took part in community singing, which was followed by a varied programme to which the following contributions were made:—Songs by Miss Winifred Allan, Mrs. H. Tomlinson (a visitor from Ningpo), Mr. J. K. Scobie, Mr. G. H. Sutcliffe, and Mr. H. Booth; two very artistic dances in costume by Miss McIlwaine; and two amusing recitations in Scottish dialect by Mr. R. Fyfe.

With more community songs the programme ended, but not before Mr. James Macbeth (Chairman of the Church Committee) had expressed the thanks of the Committee to Mrs. Hutchison and her co-workers and to Mr. Beynon and all who had participated in the musical programme for a most enjoyable evening. Mr. Macbeth, speaking as a "Brither Scot," assured the visitors that Union Church considered it a privilege and a pleasure to be hosts at such a gathering, and he hoped they had spent a very pleasant evening.

The Rev. J. Williamson, chaplain of the Seaforths, thanked all who had assisted in arranging such an enjoyable evening, and the Rev. C. W. Allan and Mr. Macbeth for their very warm welcome, which was so ably backed by the presence and co-operation of many friends. With three rousing cheers by the guests and the singing of "Auld Lang Syne" and the National Anthem, a very successful gathering dispersed shortly before 11 o'clock.

## Hong Owner Shot For Vengeance

Shanghai, Dec. 13.

Shortly after 4 o'clock yesterday afternoon Mr. Li Yong-zeng, the owner of a transportation business in the French Concession, was fired upon and injured in the neck when three bullets found their mark. His assailant was arrested by a former member of the Concession's Russian auxiliary regiment, who was passing the scene at the time.

Mr. Li was waiting for a bus at the corner of Avenue Edward VII and Rue Chu Pao San, when a Chinese, dressed in a long gown, approached him, levelled his weapon and fired. Li, hit in the neck, fell to the ground, but upon being examined at the St. Marie's Hospital in Rue Pere Robert, his injuries were not believed to be of a serious nature.

It has definitely been established that there is no political significance to the daring shooting and it is believed that the aggressor is a former employee of the victim. French Police are investigating the case.

## Nearly 80,000 Chinese In Hongkew

Shanghai, Dec. 15.

A total of 77,642 Chinese representing 10,632 households returned to Hongkew up to December 10, the Shanghai Rehabilitation Office of the Japanese Naval Special Service Section announced yesterday. Permits for return to Hongkew have been issued to 20,402 households.

Chinese employed by Japanese number 70,581 while 42,633 are employed by foreigners. Japanese cotton mills employ 65,369. Japanese residents in Shanghai totalled 38,095 on November 1, the report said.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

"N.C.D.N." Photos.

**Kuling Foreigners Arrive in Shanghai**

*A party of forty-one foreigners, who have been stranded in Kuling, summer mountain resort in the Lushan Mountains, arrived in Shanghai on Dec. 15 aboard the Japanese army transport Omi Maru. Picture (top left) shows (from left to right) Mr. and Mrs. Steed, Mr. and Mrs. Fischbacher and Miss Wilson all of the China Inland Mission, shortly after their arrival, and (top right) Mrs. G. Nystrom (Swedish) with her son Gunnar. The lower pictures show (left Mr. L. J. Bahr (German) shaking hands with a Japanese officer and (right) some of the China Inland Mission party boarding a truck conveying them and their belongings to the Mission headquarters in Shanghai.*

# Kuling Evacuees Arrive

## Forty-one Foreigners Reach Shanghai After Enforced Stay in Mountain Resort

Shanghai, Dec. 16.

WITH happy smiles on their faces and looking none the worse after their enforced stay in Kuling, mountain holiday resort now surrounded by Japanese troops, a party of 48 evacuees, mostly women and children, arrived in Shanghai yesterday morning aboard the Japanese Army transport Omi Maru (3,393 tons) which berthed at the D.K.K. Wharf, Yangtszepoo shortly before 11 o'clock. The evacuation of the party was effected after negotiations lasting three weeks between the British and American authorities and Chinese officials, and foreign officers, who carried out the talks before arrangements were made to remove the people, were obliged to pass through the Japanese lines at the foot of the Lushan mountains and the Chinese defences erected on the higher slopes.

Originally scheduled to leave on the U.S.S. Monocacy which was awaiting their arrival at Kiukiang, the evacuees sailed at dawn on Dec. 11 from that port on the military transport after making the journey down the mountain slopes escorted by British and American naval officers. Commencing their journey from Kuling on the morning of Dec. 10 the party passed the Chinese lines at 1 p.m., most of the women being carried in sedan chairs which they left whenever barbed wire entanglements were encountered. At the base of the mountain the foreigners were met by Japanese consular representatives and gendarmes, while more than 100 coolies were sent as far as the Chinese patrol lines to collect their luggage which was conveyed to five motor lorries awaiting them at the foot of the mountain. Boarding five trucks bearing Red Cross signs they immediately left for Kiukiang.

A pleasant reception awaited the party as they arrived at the D.K.K. Wharf, many friends, most of them missionaries greeting the evacuees as they espied them on the deck of the incoming transport. Piles of letters awaited the new arrivals all of whom appeared to be in perfect health and in good spirit. As they came ashore shortly after 11 o'clock hearty handshakes and fond embraces between family parties illustrated the joyful nature of the evacuation and shortly afterwards the wharf was almost deserted as large groups of them piled their luggage into waiting lorries and made the journey to their new homes sitting on top of trunks and suitcases.

### List of Evacuees

Originally forty-two foreigners had left Kuling, the remainder of the party consisting of Chinese amahs. At Nanking a member of the party, Dr. A. S. Gale, an American woman doctor, left the ship during an overnight stop. The party of forty-one foreigners and their destinations in Shanghai was as follows:

British—Miss E. Rachel Groves, 154 Tifeng Road; Mrs. Alice Abel, Miss M. Abel, Master F. Abel, Hall and Holtz Road; Miss Wilson, Mrs. Cox, Miss D. Cox, Mr. Fischbacher, Mrs. T. Fischbacher, Mr. Steed, Mrs. G. M. Steed, all of 1531 Sinza Road; Mrs. M. Hunter, Master R. Hunter, Master B. Massery, Master J. Massery, all of Kenley House, 1094 Avenue Road; Mr. Conaughton, C. M. Custom; Mr. Charlton, British Consulate; Mr. Selby, C. M. Custom, and Mr. A. G. Smith, C. M. Custom. Americans—Miss Graham, 1531 Sinza Road; Miss Coral Clark and Miss Park, American Church Mission, 1305 Yu Yuen Road; Mrs. F. S. Hutchins, Miss A. Hutchins, Church Mission; Mr. W. E. Schubert, Mrs. W. Schubert, Miss Lois Ellen and Miss Mary, 150 Yuen Ming Yuen Road; Mrs. R. V. Leahy, Miss C. Leahy, Master Don Leahy, and Master Richard Leahy, Ford Motor Co. Germans—Miss Ruth Arndt, Shanghai Missionary Home; Mr. Leo J. Bahr, Mrs. L. J. Bahr and Master Peter Bahr, 1553 Bubbling Well Road. Swedish—Mrs. Gustav Nystrom, Master Gunnar Nystrom, 154 Tifeng Road. Russians—Mrs. L. Y. Trubetskoy, Palace Hotel; Mr. Basargen and Mrs. Basargen, C. M. Custom.

### Feline Disapproval

All of the evacuees expressed their gratitude towards Capt. Isao Sato commander of the Omi Maru and to the Japanese military officers who accompanied them downriver, and as they left the ship many of them were seen shaking hands with the Japanese officers. An amusing note was struck at this point when a cat in a wicker cage carried by Miss Coral Clark, an American, came ashore voicing its disapproval of the treatment meted to it in no uncertain terms. Probably the feline passenger was the only one of the party who arrived in Shanghai in a downright bad humour.

Mrs. Gustav Nystrom, Swedish, who was accompanied by her 11 year old son Gunnar, was met by her husband Dr. G. Nystrom, who was one of the party evacuated from Hankow aboard the U.S.S. Luzon, while the Rev. Leslie Fairfield, also evacuated aboard the Luzon, was among the reception party.

In an interview with a reporter from the "North-China Daily News" Mrs. Nystrom stated that conditions in Kuling were "not so bad" and that the two hours' walk down the mountainside had not been as difficult as one would have thought.

### Sufficient Food

Mrs. L. Y. Trubetskoy, Russian, told a reporter that she was glad that she was back in Shanghai. A resident of Hankow, Mrs. Trubetskoy had gone to Kuling for a two months' vacation which, however, had been extended to an enforced stay of a further four months.

Full of praise for the treatment meted out to them by the Japanese Mr. W. E. Schubert, an American missionary, said that conditions on the Omi Maru were equal to those on many passenger vessels. There was a good supply of fuel and food at Kuling, he added, there being sufficient quantities to ensure enough food for the remaining population during the whole of the winter.

According to Mr. and Mrs. Steed of the China Inland Mission, foreigners at Kuling have enough winter clothing and have been supplied with shoes by local shoemakers. Remaining behind in Kuling, they stated, were between 90 to 100 foreigners and of these the majority were Britons, many of whom had property and interests in the city to look after.

### Food Expensive

Mrs. Cox, British, wife of Dr. Cox of the China Inland Mission now at Nanchang, who arrived with her small daughter, Dorothy, informed the "North-China Daily News" that the evacuees had been met by British and American officers during their journey to Kiukiang and that a British officer had escorted them from the town itself. Food was very expensive in Kuling, she added, the price of eggs being $1 for eight. Now it was doubtful if there were any more eggs. The Chinese, however, were getting food into the city and there seemed to be no shortage of eatables or likely to be any for some time.

Mrs. Cox stated that she had gone to Kuling for a two months' holiday which had become a sojourn of six months in the mountain resort. Her husband, she added, was at Nanchang although she had not heard from him for two months. The trip down the Yangtze had been quiet and uneventful and the food on board had been excellent.

Many members of the party told reporters that they had had no trouble with the Chinese soldiers surrounding the resort and that General Yang, the Chinese commander, had given them every assistance. By a strange coincidence Japanese sugar was being sold in Kuling, one of the party informed a reporter, although it was fairly easy to get supplies through the Chinese lines.

## Telegrams to S. China Begin

Shanghai, Dec. 15.

Having obtained permission from the Ministry of Communications, the Central China Telecommunications Company will accept telegrams for transmission from Central to South China at 8 o'clock this morning, according to Japanese sources yesterday evening.

Prior to the hostilities only telegrams in European or Chinese languages were accepted. Now Japanese language messages will be accepted in Shanghai, Hangchow, Soochow, Nanking and Hankow.

The charge for telegrams is Y.0.36 a word regardless of language. The maximum number of letters for one word is seven in Japanese messages. The minimum charge for one telegram is Y 1.08.

## *Passes to Japanese Areas Limited*

Shanghai, Dec. 14.

The Shanghai Rehabilitation Section of the Japanese Naval Special Service Section announced yesterday:—

"The white and blue passes as issued to the Chinese workers in the employ of foreign firms, factories, etc., are valid in Hongkew and Yangtszepoo areas only. The passes, it must be understood, do not entitle their holders to visit places outside the Settlements limits. In future cases of persons in possession of such passes being found in Chapei or any other places under Japanese naval control, other than the above specified, their passes will be confiscated outright. Foreigners finding it necessary to send their Chinese employees to areas under Japanese Naval Landing Party control other than Hongkew and Yangtszepoo may, however, apply for permission to do so from this Section, through the Pass Office at Hongkew Police Station."

## Daughters of American Revolution

Shanghai, Dec. 17.

The December meeting of the Shanghai Chapter of the Daughters of the American Revolution was held at the home of Mrs. A. W. Dunlap, 166 Route Dufour. After the business meeting tea was served, Miss Louise Wiley and Miss Dorothea Dunlap assisting as hostesses.

Under the auspices of the Committee on Conservation and Reconstruction, Mrs. C. H. Westrook gave a short resume of the work being done in America. A national code law for automobile drivers as protection against appalling loss of life, conservation of park-lands, the reaforestation of dust-driven country, a three-year project for the planting of 1,000 pine seedlings per acre at a cost of US$4 each, and work in 32 states for Indian citizenship was reported, not only education for youth but comfort for the aged.

Mrs. Ancell then introduced the speakers of the day, Mrs. Y. Y. Tsu and Mrs. Chang Fu-liang, on reconstruction in China. Mrs. Tsu gave an unofficial but inclusive report of the various organizations at work in Shanghai to relieve extraordinary needs not only physical but social The 42 hospitals immediately organized for wounded soldiers, six children's hospitals and 32 refugee clinics were mentioned; the fine work of the International Red Cross Society, the Salvation Army, Moore Memorial Church, Nantao Institute and the Y.W.C.A., the Nutritional Aid Committee, Public Health Service, the inexhaustible resources of the Chinese Women's Club and finally the plan for medical aid to the interior were mentioned. "Facing suffering with courage and determination, a new life has been found, also for many who have helped to give," she said.

Mrs. Chang, speaking of women's work in the conservation of life, reported an inspiring five days' meeting in Kuling under the leadership of Mme. Chiang Kai-shek, limited to 50 delegates and leaders from 13 provinces. Dr. Marion Yang as Surgeon-general arrived in uniform. Hospital work, education, propaganda, protection of women, care of war-orphans sent to Szechuan were discussed. Mrs. Chang's own experience in the rural districts of Kiangsi pictured the new China as of old the honest 85 per cent. of agriculturists, the back-bone of the nation. New life centres, friendliness, studies in first aid, disease prevention, nutrition, propaganda for good living, economics, vaccination campaign, joy of the festivals, the interest of the people, industrial work, all were discussed.

"Each head of a delegation carries a dragon with incense in his mouth, women bringing symbolic light to millions of less fortunate sisters. A new Chinese womanhood, fired with patriotic devotion, unselfishness, and drilled in self-reliance is now emerging in China and it makes us optimistic for the future of our country," said Mrs. Chang.

## Youthful Stowaways Back in Shanghai

Shanghai, Dec. 13.

George Eugen Petroff, 17, Henry Emanuel Kremla, 16, and Teddy Connell, 15, were amongst those who arrived in the ss. Suwa Maru, when that ship entered port from Japan yesterday after their intended trip to Mexico as stowaways in one of the lifeboats of the ss. Anna Maersk, ended behind the bars of a detention cell in Kobe.

"We had a lot of fun," said one of the youngsters, and had hoped to enter Mexico, where we had been told, many Russians had settled and were doing well. Had it not been for the storm which the ss. Anna Maersk encountered between Shanghai and Japan, I dare say that we would have reached our destination."

Cordell and Petroff both claim British nationality whilst Kremla is said to be a Czechoslovakian. He also has the distinction of being the only member of the trio ever to have worked before.

Asked as to what they were going to do, now that they found themselves back in Shanghai, the boys agreed that they would look for jobs, although they thought it hopeless to find any. They said that they were going to sleep on launches tied up along the Bund, as they had done prior to undertaking their adventurous journey which was to land them where they had started.

Upon their arrival the Japanese Consular Police received them at the wharf but the boys were released soon afterwards, being given $1 each "to keep them out of getting into further trouble."

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

*SHANGHAI NEWS (continued)*

# Building Activity Increase

## Figures for 1937 Approached Already; Last Four Months Indicate Definite Recovery

Shanghai, Dec. 17.

BUILDING in the International Settlement this year is showing a definite increase over last year, according to official figures made available by the Public Works Department. By the end of this month, it is expected, the number of new constructions and the number of building permits issued by the Department both will exceed by a comfortable margin the corresponding figures for 1937. This recovery is the more remarkable in view of the more or less unsettled conditions which followed last year's hostilities. In a measure, of course, the renewed building reflects what might be termed "post-war reconstruction."

The total number of new constructions for which permits were issued by the Public Works Department up to the end of November is 2,955, which compares with only 1,108 new constructions during the corresponding period of 1937. Further, it is learned that 1,421 building permits have been issued by the Municipal Council up to the end of last month, while last year the total of permits for the entire year was 1,677. The estimated value of construction during the first eleven months of this year is $10,182,000 and this figure is close to the total for the entire twelve months of 1937—$10,758,000. It is already certain that by the end of this month, last year's total estimated value will be exceeded.

Because of prevailing conditions, by far the greatest portion of this year's building has taken place in the Western and Central districts on the P.W.D. map. This month, however, has shown new activity in the Eastern district—"north of the creek"—some twelve permits for new construction having been issued in the first two weeks of December.

### Last Four Months Active

A listing of the number of new buildings by the month in 1938 shows an amazing "boom" during the past four months as compared with the beginning of the year. The figures per month range from a minimum of 21 to a maximum of 636. Through the courtesy of the Commissioner of Public Works the monthly totals are given as follows:

January, 25; February, 21; March, 80; April, 128; May 208; June, 192; July, 301; August, 548; September, 511; October, 305; and November, 636.

In the category of Chinese houses, the monthly figures range from three in January and February, each, to 379 in November. Factories range from eight to seventeen per month, not including alterations and additions.

Chinese houses converted into factories total 33, with eighteen items in this class being recorded in November.

## J. Huxley Given Vellum For Life-Saving

Shanghai, Dec. 19.

Mr. John Huxley, an Accountant-Officer of the Shanghai Fire Brigade is being given an award by the Royal Humane Society of London for bravery displayed in saving an unknown Chinese coolie from drowning after he had fallen into the Whangpo from the steam launch Gutzlaff on May 5, 1938. He is to receive the Society's Vellum.

As will be recalled, Mr. Huxley was standing at the Customs Jetty when he saw the victim disappear in the waves. He immediately dived into the river and brought the coolie ashore. Following an infection contracted during the rescue, Mr. Huxley had to spend several weeks in the Country Hospital subsequently.

Mr. Leonel Maria Roza-Pereira, an office assistant employed by the Far East Aviation Company, Hongkong, is the other recipient of an award in the Far East. Mr. Roza-Pereira will be given the Society's Bronze Medal for rescuing a Chinese hawker when he was swept seaward by the flood waters while washing in the Nullah, Victoria Harbour, Hongkong on July 20, 1938.

## Fire Sweeps Pharmacy In Nanking Road

Shanghai, Dec. 20.

The pharmacy of Messrs. J. Llewellyn & Company, 151 Nanking Road, was the scene of a fire before daylight yesterday, the front part of the shop and contents being badly damaged.

An alarm was sounded at 4.03 a.m., and engines from Central Fire Station responded. The firemen spent an hour at the scene. The flames caused serious damage to the front window anl to goods stored in the part of the pharmacy near that window.

## Municipal Orchestra

Shanghai, Dec. 19.

Yesterday's Municipal concert was sold out on Dec. 16, which, however, is but a foregone conclusion when Mr Itkis's name appears on the programme. It is a far cry from Lambeth to Tschaikowsky but Mr. Itkis bridges the distance with superb ease, and in a wholly convincing manner. Indeed, he is able to take his position, without qualification, among the front-rank exponents of his great work. Mr. Itkis, moreover, answers that old and ever recurring question of whether a jazz and "classical player can be combined in one individual without the former contaminating the latter. The answer is "and how."

Of course, Mr. Itkis is fundamentally a pianist, meaning a musician. Despite his merited successes in the field of music for dancing, we all know that the finer aspects of his art are not very far beneath the surface: in fact, they often pop up perkily and most entertainingly. The orchestra's contribution, which in this concerto carries more weight than a mere accompaniment, was adequate but remained at a constantly lower temperature than the soloist. When it gets the bit between its teeth in the working-out section of the first movement, a greater broadness and drive is to be expected. Throughout this entire 54-bar passage the tension should be drawn tauter until the dramatic entry of the piano is double octaves. The passage which immediately follows, with triplets divided between piano and orchestra, must be taken in the strictest of time in order to give full effect to statement and answer, especially as the key has now modulated to a fervent E major. Mr. Itkis had an unerring sense of rhythm here. The first movement, being more than half the concerto, contains the lion's share of the work. The first half of the second movement—*Andantino semplice*—lived up to its title delightfully. As to the *Prestissimo* section, tempo indication, accepted practice and virtuosity acknowledged, it always seems a pity that the orchestra's waltz theme must be taken at such a breakneck speed which suggests an impression of a wayward child galloping through her well-learnt piece to show what she thinks of it. In both the second and third movements greater cohesion existed between conductor Prof. Foa and soloist.

The strings played the "Intermezzi Goldoniani" suite of E. Bossi, the famous organist. Both the composer and the orchestra appeared to be happiest in the faster numbers, the Gagliarda and Burlesca being particularly good. Bossi shows a definite tendency to discursiveness in the slow movements which has the effect of diluting the undeniable beauty of his ideas. For all that, this is music of charm and sincerity. The main requisite when strings play by themselves is quality of tone. On occasions, the first violins had no difficulty in 'confuting just intonation.'

The appearance of Glazunoff's Fourth Symphony on the programme must have pleased a great number of people for this work has been neglected of late which is good solid classical fare, even though some of the melodies may seem a little too facile. The orchestra gave a good account of itself in this symphony and one has a feeling that there are other similar works which have gravitated to the bottom of the pile. Out with them!—H.

## Pistol Seized at Scene Of $1,000 Robbery

Shanghai, Dec. 20.

A member of a gang of robbers dropped a pistol in the course of a looting in Lane 740, Hart Road, yesterday morning. Five men entered the house, a Chinese residence, at 7 o'clock and obtained some $1,000 in bank-notes, and various household effects. The gang escaped, but a pistol left by one of them was recovered by the Police. No shots were fired.

BY SAPAJOU

**Mr. Seisiro Takahasi**

*Vice-Consul for Japan, Shanghai.*

## *IN THE RUSSIAN COLONY*

By "STROY"

Shanghai, Dec. 14.

Christmas and the New Year are fast approaching. As all Russian holidays are celebrated with great gastronomical gusto, a special table groaning under food spread in tempting abundance awaits all guests that, by custom, visit a household on New Year's Day and on the first day of Christmas. (The same table is laid out in similar fashion on Easter). The host or hostess receives them around the table or even at the table itself. Wines and the inevitable vodkas occupy, by time-honoured tradition, a table of their own. As Christmas is the season for fish, salted and smoked salmon and sturgeon, sardines and anchovies, stand in imposing array around the iced black caviar, both fresh and tinned. In close attendance are ham, legs of lamb and mutton, the latter spiced with garlic, geese, fried and smoked ducks, pheasants, partridges, boiled and fried pork, smoked tongue, stuffed chicken, all forms of sausage and salads, and so on. So that after visiting two or three of these hospitable homesteads on New Year's Day, one has eaten enough to last for the whole of the following week.

### Epicureanism

Thousands of books have been written on Russian epicureanism. No famous writer, whether French, German, or English, who visited Russia ever failed to describe Russian meals—meals that lasted for hours on end and took on the form of pompous and tradition-filled messes. All that has been wiped out by the Revolution. But even representatives of the new regime often astound diplomats and politicians of Paris, London and even Berlin with lavish receptions in which caviar from the sturgeon of the White Sea and champagne from Crimea play a liberal part. When the famous French writer Alexandre Dumas first tasted sturgeon with horse-radish while staying with the Narishkins in Russia, he found it so much to his liking that he immediately got himself a Russian chéf and took him back to France. For all that, however, he evinced no admiration for the famous Russian cabbage soup "schi", held that the word "schi" was really Chinese and wrote home to his friends informing that "this soup made out of cabbage is in need of sweeping reforms, which I am thinking of undertaking myself." Unfortunately his death prevented him from reforming this soup, and Russians today continue to take delight in it, both in Russia and abroad.

### An Imperial Menu

Emperor Alexander III confessed a weakness for cutlets from wood—hen. He was interested in gastronomy in general, and always prepared the menu for official dinners himself. One of these Imperial menus which was conserved for posterity in Paris contains a dish that today can be imagined only with effort—a sort of pudding made from the gramille fish which are known for their tenderness and aroma (timbale de l'ershis).

Wines occupy an important place in Russian gastronomy. One of the best-loved beverages was sherry, which was taken not only with soup but with practically every course of the meal. But then it must be said that not all the inimitabilities of Russian gastronomy were embraced by foreigners. Armand Silvêstre, for instance, is responsible for a forthright denunciation of the fish soup—"ukha". He wrote: "The 'ukha' is the favourite soup of the Russians. Into this fish soup they put not saffron but fennel. They eat it with salted cucumbers, but cautiously. This is really a terrifying dish. You open your mouth, pour sour water down your throat—and swallow it only out of politeness."

### The Day of St. George

With special pomp and circumstance military circles in the colony celebrated, on December 9, the Day of St. George—the patron of the order that was in Russia given only for acts of conspicuous bravery performed on the battle field. Before the Revolution there were two forms of this order—one for officers, the other for soldiers. The soldiers' medal, which had five classes, took the shape of a simple but distinctive silver—and, in the highest class, gold—cross; and was suspended on a special black-and-orange ribbon. The officers' cross, which was white-enamelled and showed St. George vanquishing the dragon, had four classes; but whatever the class, the man who received it also received a title of nobility that could be handed down in his family. It was given only on the recommendation of a special Council made up of Cavaliers of this order. Few were the officers who had the St. George's Cross of the third class, and those who in the history of the Imperial Army and Navy received the second and first classes were known by everyone as heroes among heroes.

There were only eight orders in the Russian Empire, and the *grossmeister* of them all was the Tsar. Annually, on December 9, a prayer service is held in the St. Nicholas military church in Shanghai, and is followed by a dinner in the Ex-Officer's Club attended not only by the Cavaliers of the Order of St. George but by all ex-officers of the Imperial Army and Navy, whose numbers in Shanghai are considerable. Coinciding with this date are the holidays of the graduates of the Irkutsk Military School and of the former officers of the First Siberian Rifles, known as His Majesty's Own; and these celebrants also participated in the banquet at the Ex-Officers' Club.

### New Russian Theatre

As from January 1, 1939, the Russian colony will have special premises for its theatre. These premises, which are being built on the initiative of the Board of Directors of the Russian Club on Avenue Foch, will house 600 people and boast a well-equipped stage. The work is scheduled to be completed by December 25, and it is expected that the New Year will be met in the new auditorium. The Theatrical Sub-Committee of the Russian Club is headed by Col. E. A. Fedoroff, and experienced amateur actor and producer. The first play to be shown in this new theatre will be one of the classical works of Ostrovsky. The premises will also be used for concerts and lectures, a programme of which has already been drawn up, and it is expected that performances will be usually followed by dances.

Archbishop Nestor of Kamchatka, one of the most popular hierarchs of the Orthodox Church in the whole of the Russian emigration, will on December 12, leave Shanghai for Harbin. The Archbishop will stay in that city until spring, and will then leave for permanent residence in Ceylon, directing missionary work on that island, in India and in Syria.

### Commercial College

Headed by Mr. B. I. Eltekoff, the Russian Commercial College is an educational institution that has been in existence here for the last three years. In addition to preparing students for accountancy and book-keeping, the college has courses in the Chinese language, for Russians, and courses in the Russian language for Chinese. An ever-increasing interest in the Russian language is at present being witnessed among the Chinese intelligentzia, and the majority of Chinese taking these courses in the Commercial College are lawyers or bank-employees. Supplementing special subjects, lectures on commercial law are given by Mr. A. J. Slobodchikoff, the well-known barrister-at-law, and lectures on the elementary knowledge of China and Japan have for the last three years been read by Mr. L. V. Arnoldov. It is interesting to note that several subjects are taught in the English language, and that the College has a society of Russian accountants who undertake the inspection of commercial books.

A well-attended reception for Russian business-men was given last week by the Chairman of the Russian Chamber of Commerce, Mr. B. I. Dukin. This institution never ceases its work, which is of great importance to Russian traders and local Russian industrial activities in general. As one example, papers of recommendation given by the Russian Chamber of Commerce enabled many Russians to get visas and other documents from various Consulates. As another, an Arbitrary Court not only settled problems among Russians, but often enters into disputes between a Russian business-man and a foreign firm, even if that firm is as far away as in Europe or America.

### Share in Development

That in the economic development of China that will come after the conclusion of the present war Russian emigrés will find a place that will prove to be far from last, was the view expressed to the "Shanghai Zaria" by Mr. Charles Metzler, Chairman of the Emigrants' Committee. The history of this great city, Mr. Metzler said, proves that the energy and initiative of Russians have enabled them to take a number of leading positions in its life; and it is certain that Russians willing to engage in peaceful and honest work without meddling in matters which are none of their concern will undoubtedly be rewarded with material well-being and the general recognition of their role in the development and prosperity of Shanghai.

The Theatrical Silver Jubilee of Mme. L. Kniajevitch, one of the most popular Russian actresses in the Far East, drew a full house to the Russian Theatre on the evening of Dec. 10. The play chosen was Goncharov's classic—"The Abyss;" and Mme. Kniajevitch, looking like a girl in her teens, played the famous role of Vera with consummate artistry. The celebrant was made the recipient of many presents and flowers, and after the fourth act speeches telling of her long career—a career already flowering out before the Revolution—were given by members of the special Jubilee Committee. The play was acted with understanding and skill, and on the whole this was the most "gala" evening the Russian Theatre has had for some time.

### Message from Grand Duke

Grand Duke Vladimir, the new Keeper of the Russian Throne, has addressed himself to Russians scattered all over the world, asking them to continue contributing to the Tsar's Chest, without which the present work cannot be carried on. Among people to whom special appreciation of their donations was given, is Col. N. Nicolaieff of Shanghai.

Recently returned from Europe, Bishop John last week visited the municipal Jail on Ward Road and held a lithurgy for its Russian inmates. It is an old Russian tradition for Bishops to visit prisons and have talks with the prisoners, and is meant to turn the latter on to the path of truth and to buoy up their spirit.

Returning a reception recently held in their honour, Russian teachers of the Ecole Remi gave a dinner in the Ex-Officers' Club for M. and Mme. Nicolet de Cholet. M. Nicolet de Cholet has spent many years in Russia teaching French in the Cadet Corps of Khabarovsk and of Nizhni-Novgorod on the Volga.

H.M.S. KENT with Sir Percy Noble on board, left her moorings alongside the Bund at 7 a.m. on December 17 and was replaced at the British Naval Buoys by H.M.S. Sandwich.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# Full $1.50 Payment To P.M.A.A. Soon

Shanghai, Dec. 15.

The Shanghai Municipal Council has approved a restoration of the full Pullers Mutual Aid Association contribution of $1.50 per rickshaw per month from next February. The rickshaw owners are permitted to charge the full authorized rental of 77 cents per vehicle per day.

The Rickshaw Pullers' Mutual Aid Association was established in August 1934, and its funds were derived from contributions collected from the pullers through the owners, so that each owner remitted to the Association $1.50 per month in respect of each public rickshaw licensed in his name, the owner reimbursing himself by charging an extra 7 cents over the authorized rental charge per rickshaw per day.

In October 1936 the Council decided that with effect from January 1, 1937, the P.M.A.A. contribution should be obtained by means of an increase in the public rickshaw licence fee from $2.00 to $3.50 per mensem, the rental charge for each public rickshaw to be 77 cents per day. Whilst the contribution thus obtained technically forms part of the Council's ordinary income, the Council in its discretion earmarks it as a grant from the Council to the P.M.A.A.

Problems affecting the rickshaw industry arose from the hostilities last autumn. It was necessary for the Council to reconcile the claim of the P.M.A.A. to maintenance of its revenue at the full standard rate of $1.50 per rickshaw monthly, and the claim of the public rickshaw owners that they had only been able to collect from the pullers a daily rental considerably below the authorized rental of 77 cents.

### Emergency Conditions

The necessity for reduction of the rental charge by the owner to the puller was attributed by the owners mainly to the curfew restrictions and the reduced area in which rickshaws could ply. In addition the owners claimed that the industry had suffered from labour disruption due to the hostilities and also from the loss of many rickshaws. On its part the P.M.A.A. was naturally concerned to remain in receipt of contributions which would permit the continuance of its service to the pullers.

For the months of September and October, 1937, the P.M.A.A. contribution was waived by the Council and the authorized rental charge was correspondingly reduced. The P.M.A.A. was advised to draw upon its reserves to tide over the emergency period.

In November 1937 a special committee was set up to advise the Council upon the whole matter of the effect of the emergency upon the rickshaw industry. Upon the recommendation of this committee, the Council approved the collection of 50 cents per vehicle towards the P.M.A.A. funds for the month of November, 1937, and $1.00 monthly thereafter until the removal of curfew restrictions, when the standard collection of $1.50 would be resumed. Correspondingly the owners may not until then impose the full authorized rental charge. This decision stands today and $1.00 only has been collected as P.M.A.A. monthly contribution, owners being allowed to charge a rental of 75 cents per rickshaw per day.

The Council has now received a letter from the P.M.A.A. requesting that the standard collection of $1.50 be resumed.

### Police Make Survey

The Police have made an investigation into the matter which revealed that although the curfew is still in existence and the area in which the rickshaw can ply is restricted, the earnings of the pullers have improved owing to the increased population and a general increase in rickshaw fares following the change of currency from coppers to cents.

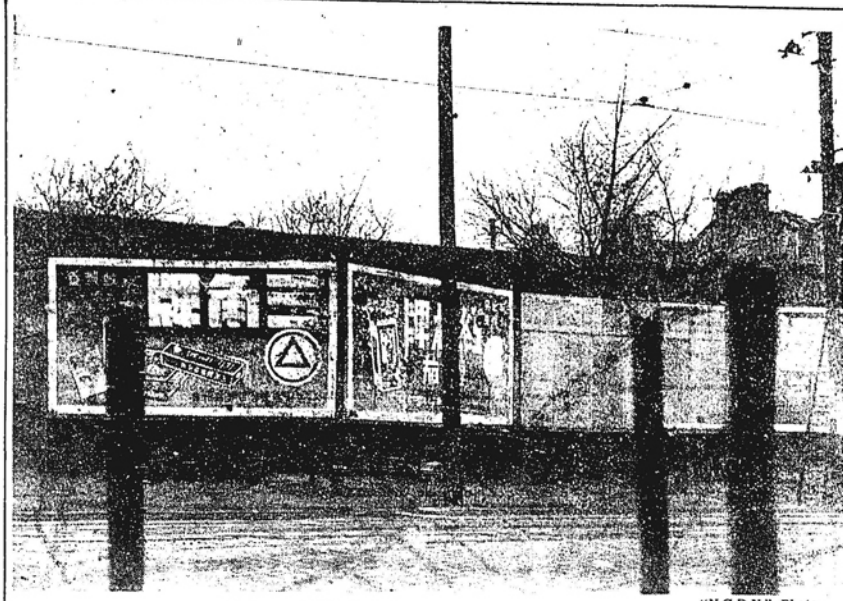
At a recent meeting of the Watch Committee the view was expressed that the resumption of the full P.M.A.A. payment was justified in view of the fact that the rickshaw business was at present prosperous and there was good work for the pullers.

It was accordingly unanimously recommended that payment of the full P.M.A.A. contribution of $1.50 per rickshaw per month be resumed with effect from February 1, 1939, the rickshaw owners to be permitted to charge the full authorized rental of 77 cents per day.

The Municipal Council yesterday approved the recommendation of the Watch Committee.

---

TWENTY men will be added to the Japanese Consular Police force here. The new policemen arrived from Japan on board the Nagasaki Maru on December 18.



"N.C.D.N." Photo.

**Where British Taiping Heroes Were Buried**

*These advertising hoardings obscure the British military cemetery in Nantao where men killed in the Taiping rebellion of 1862-1865 were buried. Their remains have been disinterred and will be reburied at Hungjao Cemetery. Now a part of the Nantao refugee zone, this picture was taken through the barbed wire dividing it from the French Concession.*

# New Graves for Taiping Heroes

## Remains of British Soldiers Moved from Nantao Cemetery to Hungjao; East Surreys Among Them

Shanghai, Dec. 14.

A TIMELY effort to save from oblivion the memory of British soldiers who were killed or died of disease in operations against the Taiping rebels in the Shanghai district during the period 1862-65 is being made by the Municipal authorities. Remains of the men buried in the soldiers' cemetery outside the old Chinese City wall in Nantao have been disinterred and are to be reburied in Hungjao Cemetery where a suitable memorial will be erected.

For many years the cemetery at 831 Mingkok Road, Nantao, which was originally backed by a piece of the old city wall, has been almost forgotten, a historical relic difficult to find behind the advertising hoardings built around it. It was once a piece of green sward where the curious might walk around and gaze on a long passed chapter in Shanghai's history. Since then rubbish and garbage have been flung on the site hiding the tombstones whereon faint inscriptions of names of men and regiments who formed the British garrison during that period may still be traced. The cemetery also suffered during the Sino-Japanese hostilities and it is now a part of the Nantao refugee zone.

Working in conjunction, the Public Health Department and the Public Works Department have commenced removing the remains of these defenders of Shanghai from Nantao to Hungjao and many of the tombstones with decipherable inscriptions have also been taken away to form the basis for a new memorial which will be erected in Hungjao Cemetery.

### East Surrey Among Them

As present circumstances threaten completely to obliterate this cemetery, which still finds brief and appreciative reference in the annual report of the Public Health Department, this action is very timely and it also finds a historic association with the present British garrison in Shanghai.

Some of the inscriptions refer to "His Britannic Majesty's Regiments" and one of them is the 31st Foot, which was the former designation of the 1st Battalion, The East Surrey Regiment, the second battalion of which is now in Shanghai in command of Col. E. L. L. Acton. The 31st Foot was one of the British regiments brought from Tientsin to Shanghai in 1862 to assist in operations against the Taiping rebels, who had made their reappearance outside the city after some years of comparative quiet and threatened to capture Shanghai.

### Came From Tientsin

General Frederick Ward, with his "Ever Victorious Army," later to be commanded by General—then Colonel—Gordon after Ward's death, had been very active, but as the new Taiping army was increasing in size and vigour it was felt that there should be joint action by the British and French forces to clear the rebels out of a radius of 30 miles from Shanghai. The British force at Tientsin was withdrawn and under General Staveley proceeded to Shanghai where these joint operations were commenced with British and French sailors and soldiers, Ward's men and Chinese Imperial troops, and two admirals, Admiral Hope (British) and Admiral Protet (French) all participating. General Staveley's force was about 2,800 men and 22 guns, including two naval 32-pounders. It was during these operations that the 31st Foot—now the East Surreys—served and mixed parties went far inland capturing and reducing rebel bases in a campaign which was eventually brought to a successful conclusion by General Gordon, who developed the Ever Victorious Army to its most effective standard.

Frederick Ward was killed and lies in a tomb at Sungkiang erected by Li Hung-chang. A monument in the Shanghai Public Gardens recalls the death of himself and 47 of his officers. "Chinese" Gordon was killed by the Mahdi's hordes at Khartoum, and at last some of the men who fought China's battles during one of the most turbulent and dynamic periods in Chinese history are to receive an honoured resting place in more certain and undisturbed territory at Hungjao.

## *Maj.-Gen. Telfer-Smollett Promoted*

London, Dec. 13.

Major-General A. P. D. Telfer-Smollett, Commander of the British forces in Shanghai, has been appointed Lieutenant Governor of Guernsey and dependencies with effect from June 5, 1939. He succeeds Major-General Sir Edward Nicholson Broadbent, whose term expires next year.

Guernsey is the second in size of the Channel Isles and lies 30 miles from the coast of Normandy.—Reuter.

## Robber Arrested After Gordon Road Looting

Shanghai, Dec. 15.

Prompt arrival of police on the scene of a robbery at 813 Gordon Road last night resulted in the arrest of one of the robbers. A gang of five, equipped with a high-powered Mauser pistols and two ordinary automatics, had obtained loot worth $180 and were about to flee when policemen arrived. Four of the men escaped but the fifth was seized. One shot was fired without, however, wounding anyone.

Three bandits got loot valued at $260 at 650 Yu Yuen Road, and escaped.

## East Surrey Officers At Zero Club

Shanghai, Dec. 15.

Lieut.-Col. E. L. L. Acton and officers of the 2nd Battalion The East Surrey Regiment were guests at the monthly luncheon of the Zero Club held at the Shanghai Club yesterday. Others present included Vice-Admiral Sir Percy Noble, Commander-in-Chief of the British China Squadron, Sir Herbert Phillips, H.M. Consul-General, and Col. Perretier, Commander of the French Garrison in Shanghai.

Mr. J. D. Watt, Acting President, welcomed the guests and mentioned that the Municipal authorities were removing the remains of British soldiers from the old military cemetery in Nantao to Hungjao, where they were being reinterred and a suitable memorial erected to their memory. Among them were the remains of men of the 31st Regiment, which was the former designation of the 1st Battalion of the East Surrey Regiment, who formed part of the British garrison forces in Shanghai during the operations against the Taiping rebels during the period 1862-65.

Lieut.-Col. Acton replied, thanking the Club for their hospitality, and Col. Perretier also made a brief speech.

## Thirty Gangsters Hold Up House

Shanghai, Dec. 16.

Not less than 30 men took part in an armed raid on a Chinese dwelling house on Brenan Road at about 1.30 o'clock yesterday afternoon and after ransacking the place departed with property valued at about $130. Of the 30 thugs, only one was armed with a pistol, the others carrying axes and iron-bars with which they intimidated the inmates.

No shots were fired and the men were able to escape before an alarm could be raised.

A detective party from Bubbling Well police station arrived at the scene soon afterwards and commenced investigations which however have proved fruitless so far.

The men, all of whom talked the Kompo dialect, seem to have their headquarters somewhere in the Japanese occupied territory in that vicinity and are believed to have been responsible for a number of armed robberies in the last few weeks.

Due to the difficulties encountered by the Settlemment police in reaching the scenes of these various crimes, many of which although lying on Settlement roads, actually are part of the Japanese occupied territory, detectives in charge of the various cases have been unable so far to make any progress in their investigations.

## Two Chinese Burned

Shanghai, Dec. 17.

When a five-gallon gasoline container caught fire yesterday morning in a garage at 517 Seymour Road, two Chinese were burned severely and were taken to hospital in a Fire Brigade ambulance. The accident occurred at about 8.15 a.m. The damage to the premises was negligible.

# People's Savings For Reconstruction

Shanghai, Dec. 15.

In order to increase revenue for carrying out economic reconstruction programmes, the Chinese Government has devised a new method of urging people to save their money during the hostilities by opening "National Reconstruction Savings Departments" in the Post Office Savings Bank and its branches throughout the country. These departments which maintain independent accounts will soon be established.

All those who deposit their money with the new departments will have their money returned with interest higher than that of ordinary deposits. Thhe Government will see to that the money will be returned after five years and the money thus deposited by the people will be used solely for carrying out various economic industrial and agricultural reconstruction programmes.

Many of these enterprises are specified in the regulations that will be enforced soon after the new departments have come into existence. Land reclamation, conservancy, agricultural developments, national defence reconstruction, mining enterprises, and communication improvements are included in the list.

The new departments will maintain independent accounts so that losses that might be sustained by other departments of the Post Savings Bank will not affect the deposits for carrying out reconstruction projects. Other financial institutions may able be asked to receive such deposits. One dollar or any sum of more than $1 may be sent to the new departments.

This new revenue-collecting method is devised by the Central authorities who are much encouraged by the generous way in which the people have constributed towards the various kinds of national crisis fund especially the $500,000,000 Liberty Bond which has been fully subscribed. The people in Shanghai may be interested in knowing that more than one fifth of the bond money has been subcribed by them, according to authoritative information.

## More German Jews Due Here Soon

Tokyo, Dec. 16.

Over 4,000 Jews from Europe will land in Shanghai in the near future, a spokesman of the Japanese Foreign Office revealed today. Of these, several hundreds will land on December 20, having made their journey in the Italian steamer Conte Biancamano, and a further 2,000 to 3,000 are now en route to Shanghai. About 1,000 are from Germany and the remaining group composed of refugees from Italy, most of them being also German.

Whether the Jews will be granted permission to reside permanently in Shanghai depends on the decision taken by the local government, declares the spokesman, and should the Jews be allowed to settle there, no distinction will be made between them and members of other races although politically suspicious persons will not be permitted to remain.—Trans-Ocean.

## Concession Telephone Break Under Repair

Shanghai, Dec. 16.

Telephone subscribers in the area bounded by Avenue Foch, Avenue Joffre, Rue Cardinal Mercier and Route Lorton have suffered some inconvenience during the past two days due to an accident which damaged one of the main feeder cables during work on water mains in Avenue du Roi Albert.

This accident placed a 900 pair cable and certain branch cables entirely out of commission, and rendered it necessary to replace a length of 300 feet in the underground ducts.

The trouble immediately became apparent by its effect on the exchange equipment, and was speedily located by means of special testing apparatus maintained by the Telephone Company for this purpose. Since the afternoon of December 13, repairmen have been working day and night to restore service as quickly as possible, but since the work involves making no less than 4800 single wire splices, and because each individual wire must be spliced to its correct counterpart, it is not expected that the last line will be fully restored before this evening.

An official of the Company expressed regret for the unavoidable inconvenience to the public and stated that 300 lines already had been restored up to 8 a.m. yesterday also that every effort is being made in the interests of the subscribers.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

*SHANGHAI NEWS (con.)*

# OBITUARIES

## Mr. Harold Browett

Shanghai, Dec. 15.

Mr. Harold Browett, senior member of the Bar of H.M. Supreme Court in China, and for fifty-one years a resident of Shanghai, a very rare record in the local community, died yesterday afternoon in his 77th year. Mr. Browett was also one of the very few honorary members of the Shanghai Club.

A native of Birmingham, Mr. Browett always described himself as a "family solicitor," whose shelves in the Dickensian-like office in Museum Road held one of China's finest collections and most complete legal libraries. He came to Shanghai in 1887, joining "B" Company S.V.C. shortly after his arrival; he remained with that company for two years and then spent thirteen years in the Reserve Company, of which he was honorary secretary.

On September 26 of this year he celebrated the fifty-first anniversary of his admission to practice at the Bar of the Supreme Court here. As far back as 1932 he was senior member of the Bar and in that year he received a letter signed by the Judges, Registrar, the Chief Clerk and all members of the Bar congratulating him upon what was then the 45th anniversary of his admission to practice.

### An Address

In the address it was pointed out that prior to the date of his admission only 29 names were entered upon the Roll while since that time (until 1932) no less than 131 names had been added thereto. The address was signed by Judge Sir Peter Grain, Judge P. Grant Jones, Mr. C. H. Haines, Registrar, and 31 others, among whom was Judge Sir Allan Mossop, then practising at the Bar.

A witness of Shanghai's remarkable developments, Mr. Browett has seen many changes in the port. During the course of his long career he had practised under Sir Richard Rennie (1882-1891), Sir Nicholas Hannen (1891-1900), Sir Hiram Shaw Wilkinson (1900-1905), Sir Havilland de Saumarez (1905-1921), Sir Skinner Turner (1921-1927), Sir Peter Grain (1927-1933) and Sir Allan Mossop.

A proud possession of Mr. Browett's was a gold scarfpin of intricate workmanship, a faithful copy of a working model of the Acme skate presented to him by the members when he was secretary of the Shanghai Skating Club, which was in its heyday during the winter of 1892. A handsome silver salver was presented to him by the Reserve Company S.V.C., and he had the Boxer Medal. One of the first to join the S.M.P. Specials, he served with them for over 14 years, being awarded the Long Service Medal.

### The Old Days

Mr. Browett had been a member of most of the representative clubs and societies in Shanghai at one time or another. He had been a member of the committee of the British Bar Association, Royal Society of St. George, the Shanghai Club (which recently honoured him with an honorary membership), the Royal Asiatic Society (North China Branch), the Masonic Club, the Shanghai Rowing Club, the Swimming Bath Club, and the Shanghai Race Club. He had also taken a keen interest in the cricket and lawn bowls clubs.

Celebrating his 76th birthday on October 6 this year Mr. Browett liked to recall the old days in Shanghai. In one interview he described the days when attending the races was like going to an enormous picnic where all were intimate friends. This had changed with the growth of the city, he lamented, even to the tiffins which used to be served in the grandstand.

Mr. Browett, curiously enough, had never been back to England since his arrival in Shanghai but his thoughts were always with that metropolis of the "Black Country" and he loved to recall his early days spent in England's second city. Shanghai, however, occupied much of his thoughts too, and his death will be felt by many here who had the privilege of working with him and being his friend.

### Court Tributes

Dec. 17.

At a solemn ceremony in H.M. Supreme Court yesterday morning before the Chief Judge, Sir Allan Mossop, Sir Herbert Phillips, H.M. Consul-General, Judge P. Grant Jones, Assistant Judge, and members of the Bar, tributes were paid to the memory of the late Mr. Harold Browett, Senior Member of the Bar of H.M. Supreme Court, whose death occurred, at the age of 76, on Wednesday.

Others attending the ceremony were: Mr. Victor Priestwood, Crown Advocate; Mr. I. T. Morris, Acting Registrar, Mr. A. Ricketts, Chief Clerk; and the following members of the Bar, Messrs. J. E. Badeley, M. Reader Harris, G. H. Wright, P. Watkin Williams, J. McNeill, Ranald McDonald, J. R. Jones, K. E. Newman, H. A. Reeks, and L. E. Hartopp. Representing the American Bar were Judge C. S. Franklin and Mr. H. G. Evans.

Addressing the assembly, which remained standing the Chief Judge said:—

### "An English Gentleman"

Mr. Crown Advocate and Gentlemen,—Before proceeding with the business of the Court this morning it is fitting that I should make reference to the sad loss which each one of us has sustained in the lamented death on Wednesday last of Harold Browett, the senior member of the Bar of this Court. Browett was admitted to practice in this Court on September 26, 1887, and he continued actively in practice here for a period of over 51 years. His was the thirtieth name to appear upon the Roll of Legal Practitioners when he signed it, and it is of interest to note that since that time no less than 148 further names have been added thereto.

I first met Browett when I arrived in China nearly 30 years ago, and throughout those years it was an honour as well as a pleasure to me to enjoy his friendship. He may be described, fairly, I think, as a typical solicitor of the old school—a good and learned lawyer, most competent,

The Late Mr. Harold Browett

painstaking and conscientious in any work that he took in hand, and at all times thoroughly helpful and reliable, whether regarded from the point of view of the Bench, his colleagues at the Bar, or the clients whose interests he so ably served. Added to this Browett was possessed of a very generous and kindly nature, and I think it can be said with great truth that in no genuine case of distress was his assistance to his fellow men ever refused.

He lived and died, an English gentleman. It is for all these great qualities in him that we, his personal friends and colleagues in the profession of the law, now mourn his loss and desire to pay tribute to his memory—a memory, I feel sure, that will long remain with us. To Mrs. Browett I extend, on behalf of the Judges and the staff of this Court, the deepest sympathy in her bereavement.

On behalf of the members of the Bar Mr. Victor Priestwood, Crown Advocate, stated.—I am grateful for this opportunity of paying a tribute to the memory of the late Mr. Harold Browett. There is little I can add to the well-deserved tribute which Mr. Browett has received from His Lordship and the tributes which have appeared in the press.

I knew Mr. Browett for some fifteen years and I am honoured and grateful for his unfailing kindness and courtesy which I knew I shared with the younger generation of the members of the Bar. I also was helped by Mr. Browett's kindness in allowing me the use of his extensive legal library and there must be many members of the public in Shanghai who have been helped by him in many ways.

It is said that the law is a hard mistress, but Mr. Browett served her faithfully and with integrity for over fifty-one years, during which time he was the inspiration of his colleagues. I join with your Lordship in expressing the deepest sympathy to Mrs. Browett on behalf of the members of the Bar.

On behalf of the members of the American Bar, Judge C. S. Franklin said:—I would like to pay a tribute to the memory of Mr. Browett who typified the able, careful, faithful and dependable solicitor we were taught to admire. He lived up to the finest traditions of his profession, which was a profession to serve. The words "Well done thou good and faithful servant" might well be written at the finish of his career.

### Funeral

Dec. 17.

The remains of the late Mr. Harold Browett were laid to rest in Bubbling Well Cemetery yesterday afternoon. In the morning, Requiem Mass was sung in the Church of Christ The King, Rue Bourgeat, the Rev. Father Sansoucy being the officiating clergyman. The interment took place in the afternoon in presence of a large attendance of mourners, representatives being present from the British Bar Association of which deceased was the senior member and from the various Societies with which he was connected. The chief mourner was the widow who was accompanied by Mrs. D. W. Crawford and Mr. F. H. Gearey. The coffin was borne to the grave by Judge Sir Allan Mossop, Mr. Victor Priestwood, Crown Advocate, Mr. M. Reader Harris, Mr. Donald MacDonald, M. W. J. Monk and Mr. W. Ward. A beautiful cross of poinsettas from Mrs. Browett was lowered into the grave with the casket.

### An Appreciation

As one who for many years has enjoyed the privileges of being an intimate friend of the late Mr. Harold Browett, perhaps I may be permitted space to offer a tribute to his memory in the columns of your journal.

During the many months of his illness which terminated the day before yesterday, I had been a frequent visitor to his apartment in Avenue Joffre with the object of keeping him informed regarding the little happenings of Shanghai life in which I knew he would be interested—an interest which never flagged in the slightest up to the time of my final visit which took place on Thursday of last week. He would put questions to me about this, that and the other subject, and it was always a pleasure to convey to him, as best I could, just what he wanted to know about local on-goings.

Up to about a month or so ago, Mr. Browett was able to spend most of each day in the living-room of his apartment, clad in a pretty kimono. Almost to the last, he continued to take an active and lucid part in the conduct of the affairs connected with his legal business, being visited daily for this purpose by his confidential clerk. Eventually through increasing weakness he found it necessary to remain in bed entirely, and it became apparent that his end was not far distant. He had aged considerably in appearance since last he was able to go in and out amongst us, but to the end he retained his fine, fresh complexion, and his eyes were as sweet and smiling as they had always been during the thirty-five years I had known him. At no time did he ever seem downhearted, but was well-prepared to respond to "the call" to higher service whenever it might come to him.

As all his intimate friends were aware, when Harold Browett had finished each day's labour in his office and came round to the Shanghai Club or to the Shanghai Lawn Bowls Club to enjoy a social hour with his friends, it was a rare thing to see him without a long-stemmed cherrywood pipe between his lips, for a pipe was his constant companion in hours of leisure. Sitting at his bedside two or three weeks ago, he suddenly enquired as to whether I still smoked a pipe myself. On my replying in the affirmative he then asked Mrs. Browett to request their houseboy to bring him an unopened tin of his favourite smoking-mixture—"State Express"—and asked my acceptance of it as a memento of the many pleasant smokes which we had enjoyed together. I at first demurred on the ground of the hope I expressed that it might not be very long until he would once more be able to resume his pipe, but he shook his head and remarked: "No, D——, I've definitely smoked my last one," and so I gratefully accepted the proferred gift. When I saw him last Thursday, I produced from my pocket a pipe which had been presented to me a few days previously, and remarked that I would like to have the benefit of his opinion on its probable merits as a pipe. Harold examined it with close attention, and then pronounced himself satisfied that I was likely to enjoy many a good smoke from it. He then asked if I had my pouch in my pocket. I said: "yes, I have it here." Then he remarked "will you please let me have it for a minute?" It contained some of the tobacco he had gifted to me, and then the dear old gentleman proceeded with trembling fingers to fill up my pipe "in the way a pipe ought to be filled." He then said: "Now, light up, D——: I replied: "But whatever will Mrs. Browett say when she gets home and finds that someone has been smoking a pipe in her and your bedroom, Harold?" "That's all right, you may take it from me," said he: "don't worry yourself about that." And so I lit up, and when I had done so, Harold just lay contentedly sniffing the fragrant aroma of his own special baccy, and sighed: "that's grand." A minute or two later I said goodbye to him—for the last time, as it has proved—but I shall always remember that particular smoke as long as I live.

And now Harold Browett has passed on, leaving behind to his many friends the memory of his gracious and kindly personality to carry with them for many a day.

I cannot close this memoir without adding a word or two to record the assiduous and devoted attention bestowed on Harold by Mrs. Browett during the many months of his illness. During her hours of leisure in the evenings she was rarely absent from his side except to fulfil one or two little standing engagements during the week, and then only because it was Harold's special wish that they should be continued. To Mrs. Browett, the sympathies of all of Harold's and her friends will be warmly extended in this hour of loss.—D. MACD.

## Mr. W. R. Mowll

London, Dec. 16.

The death has occurred in London, following an operation, of Mr. William Rutley Mowll, of Reuter's Shanghai office.

Mr. Mowll has been for many years Far Eastern Manager of Reuter's Economic Services, and was one of the Company's ablest and most trusted servants.

He was 43 years of age and he joined Reuters Service in Shanghai in 1922. He went to England via Canada on home leave last May and would normally have returned to Shanghai to take up his duties a month ago.

Mrs. Mowll and two small boys are in England.

The late Mr. Mowll was born in March 1895 at Dover where his family had been established for several

Mr. W. R. Mowll

generations. After leaving school he went to Canada and joined the Canadian Expeditionary Force to France in the early days of the Great War and served with distinction with the Canadian Forces at the front.

Among his decorations, he received the Distinguished Conduct Medal and he was also mentioned in Dispatches for gallantry in the field.

After being demobilized he spent a little time in Canada, whence he came to Shanghai in 1922. He joined Reuters soon after his arrival in Shanghai. He served the company in Tientsin, Hankow, Hongkong and Singapore. In 1928 he was appointed Manager (in Shanghai) of Reuters Far Eastern Economic Services.—Reuter.

## Rev. Charles Barraclough

Shanghai, Dec. 14.

The death is reported with regret in London on Sunday, December 11, of the Rev. Charles Barraclough, formerly Mr. Charles Wedemeyer, of Messrs. Jardine, Matheson & Co., Ld., for many years.

The late Mr. Barraclough retired from the service of Messrs. Jardine, Matheson & Co. some ten years ago, studied for the Church, and eventually took holy orders as a licensed preacher of the Church of England.

While in China Mr. Barraclough took a very active interest in the Amateur Dramatic Society plays in Shanghai, for several years his personality on the stage being easily distinguished by his great height. He also took a great interest in volunteering and was a Volunteer officer in Shanghai for several years.

While Mr. Wedemeyer was with Messrs. Jardine, Matheson & Co. he was usually employed in their shipping business, and for several years while they were agents for the Canadian Pacific Railway passenger steamers, Mr. Wedemeyer was in complete charge of the Canadian Pacific liners, despatching them with the greatest regularity on every occasion, and this continued up to the summer of 1904 when the C.P.R. took over the agency on their own. Mr. Wedemeyer served in several of the agencies of Messrs. Jardine, Matheson & Co. and was in charge of their Dairen office in 1917; about the end of the Great War he changed his name to Charles Barraclough.

The late Mr. Barraclough was what may be honestly called a very decent man, harmless to others at all times and willing to help anyone. The passing of this old Eastern hand whose memories remain fresh is deeply regretted, and to his son, Mr. E. S. Barraclough, one of the seniors of Messrs. E. D. Sassoon & Co., Ld., very sincere and deep sympathies are extended.

## Miss Jean McLean Martin

Shanghai, Dec. 14.

The Bubbling Well Chapel was filled to overflowing yesterday afternoon when funeral services were held for the late Miss Jean McLean Martin. The Very Reverend Dean A.C.S. Trivett, of the Holy Trinity Cathedral, conducted the last rites. The deceased was for many years connected with the Shanghai Municipal Council in the capacity of Matron of the Municipal Police Isolation Hospital for Chinese. The services were well attended by both foreign and Chinese members of the hospital staff.

Dr. J. H. Jordan, Commissioner of Public Health, attended with high officials of the Shanghai Municipal Council and Police. A detachment of Sikh and Chinese Police under Assistant Commissioner W. E. Fairburn lined the pathway to the grave as a mark of last respect. The pallbearers were Messrs. A. Fanthorpe, L. H. Barton, R. Baxter, C. H. Mahon, C. N. Brown and C. Carr. A cross of white flowers from the deceased's family was lowered on the coffin into the grave.

## Miss A. Z. Davies

Shanghai, Dec. 13.

The funeral took place yesterday afternoon of Miss Amelia Zita Davies, assistant Matron of the Municipal Police Hospital, whose death occurred at the Country Hospital on December 9. Requiem Mass was celebrated in the Church of Christ the King in the morning, Father Sansoucy officiating. Interment took place at the Bubbling Well Cemetery in the afternoon in presence of a very large attendance of mourners including Brigadier-General Macnaghten, Dr. Jordan, Dr. Blakelock, Dr. Vio, Dr. Shu, Dr. Cieh, Dr. Zau, Dr. Kwauk, Mr. and Mrs. W. H. Helm, Captain Reid, Chief of the Fire Brigade, Deputy Commissioners Fairbairn and Samson of the Police, while the Nursing Service was represented by the following among others, Miss Warren, Miss Daly, Miss Reid, Miss Johnstone. The pathway to the grave was lined by a detachment of Sikh and Chinese Police. The committal service was conducted by Father McDonald.

## Mr. Johann Christian van Houten

Shanghai, Dec. 13.

Funeral rites for the late Mr. Johann Christian van Houten were conducted yesterday afternoon at the Chapel of the International Funeral Directors, Kiaochow Road, with Rev. E. Krueger officiating. The deceased and his wife were visiting their son and daughter-in-law, Mr. and Mrs. H. J. van Houten, here when death overtook him suddenly on December 10 as the result of a heart attack. Mr. van Houten also has a daughter in Holland, Mrs. Wilhelmina Roo-van Houten, who is coming to Shanghai to accompany her mother returning home. The remains will be sent to Holland where interment will take place in the near future. Among those present at the funeral services were Mr. G. W. Boissevain, Consul-General for the Netherlands, Mr. J. van der Berg, also of the Netherlands Consulate-General, Mr. J. D. Carriere, of the Java-China-Japan Lijn, members of the staff of Netherlandsch-Indische Handelsbank and many others.

## Mr. Rasmus Peder Hansen

Shanghai, Dec. 17.

Following a Requiem Mass at St. Peter's Church on Avenue Dubail yesterday morning, the remains of the late Mr. Rasmus Peder Hansen were laid to rest at the Bubbling Well Cemetery yesterday afternoon, with the Reverend Pere Boursie conducting the last rites. The deceased, late of the Chinese Maritime Customs, has been in his city for the past forty-seven years, and he died on Dec. 13 at the St. Marie Hospital at the age of seventy-two years. He is survived by his wife, Mrs. Luisa Hansen, daughters, Mrs. J. Flannery and Mrs. H. Stellingwerff, of Shanghai, and Mrs. E. Ekdahl, who is in the United States, and a son, Mr. A. M. Hansen, of Shanghai. Mr. Hansen also has a brother and sisters in Denmark. The pallbearers were Messrs. H. Stellingwerff, J. Flannery, J. Roliz, R. Canavarro, F. R. da Luz and J. Hawes. A beautiful cross of red carnations from Alfred, Laura, Mina and Emmy was lowered on the coffin into the grave.

## Baby Hilda Carion

Shanghai, Dec. 18.

In the presence of relatives and a few intimate friends, the remains of the late Baby Hilda Carion were laid to rest yesterday afternoon at the Bubbling Well Cemetery. The child was the infant daughter of Mr. and Mrs. E. M. Carion, old residents of this city. The baby died on December 16 after a short illness. The little white coffin was carried to the grave by the grandfather, Mr. S. J. Carion, and Mr. C. Cruz. A cross of flowers from Mother and Daddy was lowered on the coffin into the grave.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## WEDDINGS

### Blown—Harding

Shanghai, Dec. 18.

Yesterday morning at Holy Trinity Cathedral the wedding took place of Mr. Philip Blown, son of Captain and Mrs. O. C. Blown, and Miss Winifred Marjory Harding, daughter of Mrs. K. M. Harding and the late Mr. J. W. Harding. Dean Trivett officiated.

The bride, who was given away by Mr. R. B. Roach, was dressed in a gown of white cut-chiffon velvet, made on princess lines. Her veil was of Brussels lace in a design of lovers' knots, held in place by orange blossoms. She carried a shower bouquet of white chrysanthemums and sweet peas. The bridesmaids were the Misses Lyall Cormack, Olive Blown (sister of the bridegroom) and Heather Roach. Miss Cormack and Miss Blown wore gold satin frocks made on Grecian lines, with embroidered boleros, gold satin Juliet caps and short veils, and carried shower bouquets of African daisies. Miss Roach wore an Empire dress of white moiré taffeta, with a blue sash and Juliet cap of silver sequins, and carried an old-fashioned posy of blue and white sweet peas. Mr. G. W. Blown was best man.

The bride's mother wore a princess dress of saxe blue crêpe royale, her corsage being of blush pink roses.

From 6-8 p.m. a reception was held at 8 Verdun Terrace, the residence of the bride's mother, after which the bride went away in a dress of misty-rose wool, her brown coat having a red fox collar. She wore a small brown poke bonnet and her accessories were brown. The honeymoon is being spent in Japan.

### Schmidt-Sentouktsis

Shanghai, Dec. 18.

Yesterday afternoon at the Church of Christ the King, the wedding took place of Mr. Walter G. Schmidt, assistant secretary of the Foreign Y.M.C.A. in Shanghai, and Miss Caliope Sentouktsis, daughter of Mr. and Mrs. C. Sentouktsis of Shanghai.

The bride, who was given away by her father, wore a white crêpe gown made on Grecian lines, the wide belt embroidered in pearls, and a short, draped bolero. Her long veil fell from a crown of orange blossoms and her flowers were lilies. The matron of honour was Mrs. H. Moeseler and the bridesmaids were the Misses Eftalia Sentouktsis (sister of the bride), Anneta and Alexandria Chelmis, and Olga Sentouktsis. Their dresses were in pastel shades of blue, peach, green and white respectively and were made alike in princess style with large puffed sleeves and heart-shaped ruffled necklines. Tulle veils to match their dresses were held in place with velvet flowers. The bridegroom was attended by Dr. H. Ley and Mr. D. Chelmis, the ushers being Messrs. H. Baumgartner, O. Kleemann, A. Vogt and W. Wilkens.

After the ceremony a reception was held at the German Garden Club in Avenue Haig. The honeymoon is being spent in a tour of Japan.

## Ballroom Hostess and Ex-Bank Clark Dead

Shanghai, Dec. 20.

An attractive Chinese girl who had been working as a dancing partner in a well-known ballroom downtown was found dead with an admirer, a former bank clerk, in a room at the Paramount Hotel early yesterday morning. Both had succumbed to the effects of poison taken, apparently, as the result of a "suicide pact."

The young couple had engaged the room on Sunday. They were discovered, unconscious, at about 4.45 a.m. yesterday and taken in an ambulance to the Chinese Red Cross Hospital, Avenue Haig. There they were both pronounced dead.

An inquest will be held at the Public Mortuary today by the Procurator of the First Special District Court.

## Foreigner Injured by Bus In Nanking Road

Shanghai, Dec. 15.

An elderly foreigner, whose name was later given as Medina, a British subject, was injured at 11.45 a.m. yesterday in Nanking Road, a short distance east of Honan Road, when he came in contact with a westbound bus of the China General Omnibus Company. He suffered injuries to his head and right arm and was taken, in a Fire Brigade ambulance, to the Country Hospital. His condition is described as not serious.

"N.C.D.N." Photo.

**Cathedral Wedding**

*On December 17 the wedding took place at Holy Trinity Cathedral of Mr. Philip Blown, of the Shanghai Telephone Company, and son of Captain and Mrs. O. C. Blown, and Miss Winifred Harding, daughter of Mrs. K. M. Harding. The bridesmaids were the Misses Olive Blown, Lyall Cormack and Weather Roach, and Mr. G. W. Blown was best man.*

## Chemicals on Fire In Steamer Hold

Shanghai, Dec. 20.

The combined forces of the Settlement and the Harbour Fire Bridges early yesterday morning battled what might have developed into a serious fire on board the N.Y.K. steamship Tatuno Maru, at the company's Wayside wharf.

The flames were first observed in the No. 4 hold of the freighter at about 7 a.m. Shortly after 8.15, the Customs firefloat Poochi and the Settlement Fire Brigade were summoned, and when fire crews arrived at the wharf they found that various chemicals were on fire in the hold and were sending forth dense clouds of fumes. The burning cargo 'tween-decks consisted largely of ferro-silicon, calcium carbide and sodium sulphate.

Mr. W. J. Gorman, Chief Fire Officer of the Harbour Brigade, and the officers in charge of the Settlement detachments directed the subsequent operations which consisted in removing burning sacks of chemicals and transferring them to the wharf, and extinguishing all traces of fire in the hold. After a half hour the blaze was completely under control. The chief danger which was averted was explosion due to water coming in contact with some of the chemicals.

The crews from Yangtszepoo Station of the S.F.B. were able to leave the scene at about 9.30 o'clock. The Poochi returned to her berth off The Bund at 11 o'clock. Neither sailors nor firefighters were overcome in the course of the operations.

Damage to the Tatuno Maru from flames and water was negligible, and the cargo itself suffered but little. The steamer's gross tonnage is 6,961. She had arrived in port from Osaka on December 16, and was discharging her cargo when the fire started. The origin of the blaze had not been determined at a late hour yesterday, an investigation still proceeding.

## Chinese Gang Shoots At Police Party

Shanghai, Dec. 15.

A mysterious shooting took place shortly before 1 o'clock yesterday morning when members of a gang of about thirty Chinese opened fire upon a party of Settlement Police from the Bubbling Well Station patrolling in Brenan Road and on Brenan Piece. The gang fired a number of shots from military-type Mauser pistols and ordinary pistols, but did not wound any of the policemen. The police did not return fire.

The motive for the attack was still puzzling last night, after detectives had made exhaustive investigations. It is a well-known fact, however, that a large lawless element is now present in the western "outside roads" district, living in so-called "Ta Tao" territory beyond the reach of the Settlement Police and connected with various criminal activities. Robberies by armed men abound, and the openly conducted gambling "racket" has attracted a large number of Chinese of the criminal type.

## Thugs Shoot Man For Ring

Shanghai, Dec. 16.

Shortly after 7.30 o'clock yesterday evening, two men, one armed with a small black pistol, entered House 21, Lane 140, Sinza Road, and intimidated the inmates of thehouse. When their search for valuables proved fruitless, the desporadoes ordered one of the Chinese inmates to hand over the gold ring which he was wearing. The victim refused and was consequently shot in the chest by the armed thug. The injured men was later rushed to the Red Cross Hospital, where his injuries were not diagnosed as serious.

"N.C.D.N." Photo.

**Foreign "Y" Official Marries**

*On December 17 at the Church of Christ the King Mr. Walter G. Schmidt, assistant secretary of the Foreign Y.M.C.A., was married to Miss Caliope Sentouktsis, daughter of Mr. and Mrs. C. Sentouktsis of Shanghai. The matron of honour was Mrs. H. Moeseler and the bridesmaids were the Misses Eftalia Sentouktsis (bride's sister), Anneta and Alexandria Chelmis and Olga Sentouktsis. The bridegroom was attended by Dr. H. Ley and Mr. D. Chelmis, and the ushers were Messrs. H. Baumgartner, O. Kleemann, A. Vogt and W. Wilkens.*

## Japanese Christian Reforms Town

Shanghai, Dec. 15.

Under the leadership of a Japanese follower of Christ, who forsook family riches for the simple life of a preacher, Taitsang, a town 40 kilometres north-west of Shanghai, is gradually assuming the appearance of an agrarian utopia, the "Shanghai Nippo" said yesterday.

The preaching of Mr. Kinzo Wakao, 49-year-old brother of a wealthy member of the Japanese House of Peers, has been so effective, the Japanese daily said, that thieving has disappeared from the community of 6,000 Chinese.

Young Chinese are playing a major part in creating an autonomous and self-sufficient community according to Christian principles under the guidance of Mr. Wakao, according to the "Nippo."

Mrs. Wakao, who accompanied her husband with their one-year-old child, is also active in community work. They have also established a "Soldiers' Home," where Japanese soldiers stationed in the area can get a bath and a haircut and also read newspapers and magazines from home. Other recreation facilities are also provided.

A Japanese school for Chinese is also being operated, while Chinese youths are encouraged to mingle with Japanese soldiers for a mutual exchange of conversation lessons in Chinese and Japanese.

Mr. Wakao was well-known in Japan for the relief work he carried out among impoverished farmers in Yamanashi prefecture where he was born. He arrived at Taitsang on September 25 to engage in missionary work.

## Smallpox on Increase In Shanghai

Shanghai, Dec. 20.

A total number of 323 cases of smallpox as compared 182 for the previous week were reported to the Health Departments of the Settlement and the Concession during the week ending December 17, Altogether 91 persons succumbed to the disease as against 59 for the previous week. In the International Settlement twelve foreigners were reported of having contracted smallpox, four cases being fatal whilst only one foreign case was reported in the Concession.

In all 67 cases of diphtheria, eleven of which of foreigners, were reported for the same period, from both administrations, six cases being mortal.

There was some decline in the number of cases of tuberculosis reported, the total being 56 as compared to 63 for the previous week. The disease claimed 30 deaths, two being foreigners.

Beri-beri showed another marked decline as only sixteen cases, three of which were mortal, were reported from the Settlement and the Concession for the week covered by the reports.

Foreign deaths from all causes totalled 20 which is an increase of seven whilst the number of Chinese deaths reported, total 1,869 and increase of 478 over the previous week.

## PERSONAL NOTES

MR. N. Denison returned to Shanghai on Dec. 13 by the Blue Funnel ss. Aeneas from home leave.

AMONG passengers sailing for Japan on Dec. 12 in the Empress of Canada, was Mr. H. E. Middleton, of the S.M.C. Finance Department.

LADY L. Dalton was among the passengers who arrived here in the P. & O. ss. Chitral. Another passenger in the same vessel was Lady Stuart.

MR. and MRS. A. A. Ewing and Miss Ewing were among the passengers arriving in Shanghai on December 13 by the Blue Funnel ss. Aeneas.

MAJ.-GEN. A. P. D. Telfer Smollett, Commanding the British Forces in Shanghai, and Mrs. Telfer-Smollett left for Kobe on Dec. 12 in the Empress of Canada.

M. MICHEL Bréal, general manager of the Havas News Agency for the Far East, was married to Princess Nirgidma de Torhout on Dec. 14. The ceremony took place at 4 p.m. privately.

MAJOR A. Bassett has accepted the invitation of the Shanghai Municipal Council to fill the vacancy on the Public Library Committee caused by the recent death of Capt. C. T. Hutchins.

MR. Reginald Sweetland, Far Eastern Correspondent of the "Chicago Daily News," accompanied by Mrs. Sweetland and their son, left Shanghai on Dec. 12 for Chicago by the Empress of Canada.

THE Shanghai Municipal Council has been notified that Mr. I. Spilwanek, Consul-General for the Union of Soviet Socialist Republics, has resumed charge of the U.S.S.R. Consulate-General.

SIR George Sansom, Commercial Counsellor of the British Embassy in Tokyo, left by the Empress of Canada for Yokohama on Dec. 12 returning to his post after a short visit to Shanghai. He was accompanied by Lady Sansom.

COMMANDER L. Neyrone, Italian Consul-General in Shanghai, arrived on December 18 aboard the N.Y.K. liner Taiyo Maru. He is proceeding to Tokyo on official business. Also aboard the liner were Mrs. S. Hidaka, wife of the former Japanese Consul-General in Shanghai.

COL. Enrico Andreini, Commander of the Savoy Grenadiers who evacuated Shanghai recently, was decorated with the Third Class Order of the Sacred Treasure by Emperor Hirohito of Japan. Col. Andreini, who is making a short visit to Japan, will leave for Italy soon. He was credited with contributing to the promotion of friendly relations between Japan and Italy.

THE Rev. and Mrs. John Darroch, who will be remembered as for many years residents of Shanghai, and who left for Home some four years ago on retirement, have heard the East a-callin' once again, and are expected to return to Shanghai by the Gneisenau in February. Dr. Darroch has recently recovered from a serious illness. He and Mrs. Darroch are returning with their son-in-law and daughter, Mr. and Mrs. R. A. Close.

AMONG the passengers who arrived in Shanghai in the ss. Chitral is Lady Stuart who has come on a long visit to her son, Mr. R. L. Stuart, Barrister-at-Law, of 1331 Rue Lafayette. Lady Stuart is the wife of Sir Louis Stuart of London, honorary secretary of the Indian Empire Society and Editor of "The Indian Empire Review." Sir Louis Stuart was formerly a judge of the Allahabad High Court, and later Chief Judge of the Oudh Chief Court at Lucknow.

THE annual general meeting of the Shanghai Foreign Medicine Merchants' Association was held at No. 17 The Bund, Shanghai, yesterday when the Committee's report on activities and the accounts for the year ended September 30, 1938, were presented. The following committee was elected for the ensuing year:—Messrs. S. W. Wolfe (Chairman), D. Ward-Smith (Vice-Chairman), M. Baugarton, Dr. O. Giese, P.D.G. Gain, C. Guillemin, W. J. Kelly, D. Mennie, H. W. Pflug, G. Salle and H. Schloten.

## Henderson Here on December 30

Shanghai, Dec. 20.

The U.S. Navy transport Henderson arrives off Woosung on December 30 enroute from the United States by way of Guam and the Philippines.

Aboard this ship are approximately 70 marine replacements who are coming from the Philippines, Guam and the United States for duty with the 4th Regiment. About the same number of marines, their foreign duty having expired, will leave the 4th Regiment for the United States when the Henderson departs from Shanghai for her return trip.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# Shanghai Stock Exchange Official Weekly Share Report with Closing Quotations, Dec. 16, 1938

REPORT No. 50/1938 for week ending December 16 (Friday), compiled by the Shanghai Stock Exchange

| STOCK | Comparative Opening Cash Prices: This Friday Morning December 16, 1938 — Buyers | Sellers | Last Sales | Nom. | Last Friday Morning December 9, 1938 — Buyers | Sellers | Last Sales | Nom. | Business Recorded During Week Closing To-Day, Friday Morning: Highest — Cash | Highest — Dec. | Lowest — Cash | Lowest — Dec. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Banks, Finance Companies** | | | | | | | | | | | | |
| Central Properties, Ltd | 13.50 | .... | 13 | .... | 13 | .... | 13 | .... | .... | .... | .... | .... |
| China Bond & Share Co., Fed. Inc., U.S.A. | 10 | .... | .... | 9.25 | 9 | .... | .... | 9.25 | .... | .... | .... | .... |
| China Finance Corp. Fed. Inc., U.S.A. | 0.20 | .... | .... | 0.20 | .... | .... | .... | 0.20 | .... | .... | .... | .... |
| Hongkong & Shanghai Banking Corp. | .... | .... | •1,340 | .... | .... | .... | •1,400 | .... | •1,385 | .... | •1,340 | .... |
| Inter. Invest. Trust Co. of China Ltd. | .... | .... | 2.60 | .... | .... | 2.65 | 2.60 | .... | 2.60 | .... | 2.60 | .... |
| Shanghai Loan & Investment Co., Ltd. | 5.90 | .... | 5.95 | .... | 6.20 | 6.40 | 6.05 | .... | 6.35 | .... | 5.95 | .... |
| Union Mobiliere | .... | .... | .... | 18.50 | .... | .... | .... | 18.50 | .... | .... | .... | .... |
| Yangtsze Finance Co., Ltd. | 6 | 6.50 | 6.55 | .... | 6.25 | 6.50 | 6.25 | .... | 6.70 | .... | 6.55 | .... |
| **Insurances** | | | | | | | | | | | | |
| American-Asiatic Underwriters (ord.) | 3 | .... | .... | 2.50 | 3 | .... | .... | 2.50 | .... | .... | .... | .... |
| Asia Life Insurance Co. | .... | .... | .... | 75 | .... | .... | .... | 75 | .... | .... | .... | .... |
| Assurance Franco-Asiatique | .... | .... | .... | 90 | .... | .... | .... | 90 | .... | .... | .... | .... |
| International Assurance Co., Ltd. | 3.80 | 3.95 | 3.80 | .... | 3.85 | 4 | 3.95 | .... | 40 | .... | 3.80 | .... |
| Union Insurance Society of Canton Ltd. | •480 | •485 | •485 | .... | .... | .... | •500 | .... | •485 | .... | •485 | .... |
| **Lands** | | | | | | | | | | | | |
| Anglo-French Land Invest. Co., Ltd. | .... | .... | .... | 167 | .... | .... | .... | 167 | .... | .... | .... | .... |
| Cathay Land Co., Ltd. | 2.10 | 2.25 | 2.15 | .... | 2.10 | 2.25 | 2.25 | .... | 2.20 | .... | 2.10 | .... |
| China Realty Co. Fed. Inc., U.S.A. | 1 | 1.15 | 1.20 | .... | 0.91 | .... | 0.52 | .... | 1.20 | .... | 1.00 | .... |
| Fonciere et Immobiliere de Chine | .... | .... | .... | 166 | .... | .... | .... | 166 | .... | .... | .... | .... |
| Metropolitan Land Co., Ltd. "A" | 4 | .... | .... | 6.30 | .... | .... | .... | 6.30 | .... | .... | .... | .... |
| do. "B" | 4 | .... | .... | 6.30 | .... | .... | .... | 6.30 | .... | .... | .... | .... |
| San Sing Properties, Ltd. | .... | .... | .... | 9 | .... | .... | .... | 9 | .... | .... | .... | .... |
| Shanghai Land Investment Co., Ltd. | 9.40 | 9.55 | 9.50 | .... | 9.10 | 9.20 | 9.20 | .... | 9.70 | .... | 9.20 | .... |
| Tientsin Land Investment Co., Ltd. | .... | .... | 99.50 | .... | .... | .... | 99.50 | .... | .... | .... | .... | .... |
| **Docks, Wharves and Transport** | | | | | | | | | | | | |
| New Eng. & Shipbuilding Works, Ltd. (ord.) | 5.80 | 6 | 5.80 | .... | 5.60 | 5.65 | 5.65 | .... | 5.85 | .... | 5.60 | .... |
| Shanghai Dock & Engineering Co., Ltd. | 103.50 | 104.50 | 104 | .... | .... | 109 | 109 | .... | 105 | .... | 99 | .... |
| Shanghai & Hongkew Wharf Co., Ltd. | .... | .... | 175 | .... | .... | .... | 175 | .... | 175 | .... | 172 | .... |
| Wheelock & Co., Ltd. | 35 | 36 | 34.75 | .... | 31.50 | 31.75 | 31.50 | .... | 35 | .... | 31.50 | .... |
| **Utilities** | | | | | | | | | | | | |
| China General Omnibus Co., Ltd. | 22.75 | .... | 22.50 | .... | 22.25 | .... | 21.25 | .... | 22.50 | .... | 22.50 | .... |
| Shanghai Gas Co., Ltd. | 7.50 | 8 | 8.10 | .... | .... | .... | 8.10 | .... | 7.75 | .... | 7.75 | .... |
| Shanghai Telephone Company | .... | .... | 69 | .... | 66 | .... | 65 | .... | 69 | .... | 66 | .... |
| S'hai Electric Construction Co., Ltd. "Reg." | 35.50 | .... | 36 | .... | 35.50 | .... | 36 | .... | 37 | .... | 37 | .... |
| do. "Bear" | .... | 38.25 | 38 | .... | 38 | 38.50 | 38 | .... | 38.50 | .... | 38 | .... |
| S'hai Waterworks Co., Ltd. "A" | 620 | 627.50 | 625 | .... | 620 | 630 | 620 | .... | 625 | .... | 620 | .... |
| do. "B" | 26.50 | .... | 27 | .... | .... | .... | 27 | .... | 27 | .... | 27 | .... |
| do. "C" | .... | .... | 27.50 | .... | .... | .... | 27.50 | .... | 27.50 | .... | 27.50 | .... |
| **Miscellaneous** | | | | | | | | | | | | |
| Auto Palace Co., Ltd. | .... | .... | .... | 11 | 9 | .... | 9 | .... | .... | .... | .... | .... |
| Bakerite Co., Fed. Inc., U.S.A. "B" | .... | .... | .... | 11.75 | .... | .... | .... | 11.75 | .... | .... | .... | .... |
| Caldbeck, Macgregor & Co., Ltd. (ord.) | .... | .... | .... | 14 | .... | .... | .... | 14 | .... | .... | .... | .... |
| China Import & Export Lumber Co., Ltd. | 13 | .... | 14 | .... | .... | .... | 14 | .... | .... | .... | .... | .... |
| Chinese Eng. & Mining Co., Ltd. "Bearer" | 27 | 27.50 | 26.75 | .... | .... | 27.25 | 27 | .... | 27 | .... | 26 | .... |
| Choson Corporation, Ltd. | .... | .... | .... | 9 | .... | .... | .... | 9 | .... | .... | .... | .... |
| Culty Dairy Co., Ltd. | .... | 19 | 19 | .... | .... | 19 | 19 | .... | .... | .... | .... | .... |
| Champ Course Francais French | 40 | .... | 37.50 | .... | 40 | .... | 37.50 | .... | .... | .... | .... | .... |
| (French Race Course) non-French | 40 | .... | 40 | .... | 40 | .... | 40 | .... | .... | .... | .... | .... |
| do. Founders | 60 | .... | 60 | .... | 60 | .... | 60 | .... | .... | .... | .... | .... |
| Hall & Holtz, Ltd. | .... | .... | .... | 9 | .... | .... | .... | 9 | .... | .... | .... | .... |
| Hongkong & Shanghai Hotels, Ltd. | .... | .... | .... | 6.80 | .... | .... | .... | 6.80 | .... | .... | .... | .... |
| Kelly & Walsh, Ltd. | .... | .... | .... | 15.75 | .... | .... | .... | 15.75 | .... | .... | .... | .... |
| Mark L. Moody, Fed. Inc., U.S.A. | 12 | .... | .... | .... | 12 | .... | .... | 6.50 | .... | .... | .... | .... |
| Metal Industries of China, Ltd. | 7.10 | 7.20 | 7.25 | .... | .... | .... | 6.80 | .... | 7.25 | .... | 6.60 | .... |
| Millington, Ltd. | .... | .... | .... | 1.30 | .... | .... | .... | 1.30 | .... | .... | .... | .... |
| Office Appliance Co., Ltd. | .... | .... | 3 | .... | .... | .... | 3 | .... | .... | .... | .... | .... |
| S'hai Exploration & Development Co., Ltd. | 8 | 8.05 | 8 | .... | 8.15 | 8.25 | 8.10 | .... | 8.40 | .... | 7.90 | .... |
| S'hai Vacuum Cleaning & Storage Co., Ltd. | .... | .... | .... | 6 | .... | .... | .... | 6 | .... | .... | .... | .... |
| S'hai Waterworks Fittings Co., Ltd. | .... | .... | 1 | .... | .... | .... | 1 | .... | .... | .... | .... | .... |
| Union Brewery, Ltd. | 3 | .... | 6 | .... | .... | .... | 6 | .... | .... | .... | .... | .... |
| **Bonds and Preferences** | | | | | | | | | | | | |
| American-Asiatic Underwriters, Cum. Pref. 8% | .... | .... | .... | 81 | .... | .... | .... | 81 | .... | .... | .... | .... |
| do. Cum. Pref. 7% | .... | .... | .... | 67.50 | .... | .... | .... | 67.50 | .... | .... | .... | .... |
| Caldbeck, Macgregor & Co., Ltd. 8% cum. pref. | .... | .... | 13 | .... | .... | .... | 13 | .... | .... | .... | .... | .... |
| Ch. Finance Corp. Fed. Inc., U.S.A. (Pref.) 8% | .... | .... | .... | 3.60 | .... | .... | .... | 3.60 | .... | .... | .... | .... |
| Ewo Cotton Mills, Ltd. 8% cum. pref. | .... | .... | 150 | .... | .... | .... | 153 | .... | 150 | .... | 150 | .... |
| New Eng. & Shipbg Works, Ltd. 8% cum. pref. | 7.90 | 8 | 8 | .... | 7.75 | 8 | 7.85 | .... | 8 | .... | 7.90 | .... |
| S'hai Power Co. Tls. 6 cum. Pref. stock | 123 | .... | 123 | .... | .... | 121 | 121.75 | .... | 123 | .... | 119 | .... |
| Shanghai Tug Lighter Co., Ltd. 7% pref. | 62.50 | .... | 62.50 | .... | .... | .... | 62.50 | .... | .... | .... | .... | .... |
| S'hai Waterworks Co., Ltd. 7% cum. pref. | 14.25 | .... | 13 | .... | 14.25 | .... | 13 | .... | .... | .... | .... | .... |
| do. 6½% cum. pref. | 13.75 | .... | 13.50 | .... | 13.75 | .... | 13.50 | .... | 13.75 | .... | 13.75 | .... |
| **Cottons** | | | | | | | | | | | | |
| Ewo Cotton Mills, Ltd., Ordinary | 16.60 | 16.70 | 16.60 | .... | 17 | 17.10 | 17 | .... | 16.90 | .... | 16.30 | .... |
| Shanghai Cotton Mfg. Co., Ltd. | .... | 107 | 106 | .... | .... | .... | 111 | .... | 107 | .... | 105 | .... |
| Zoong Sing Cotton Mills, Ltd. | .... | .... | 29.75 | .... | .... | .... | 29.75 | .... | .... | .... | .... | .... |
| **Plantations** | | | | | | | | | | | | |
| Alma Estates, Ltd. | .... | .... | 19 | .... | 19 | .... | 19 | .... | .... | .... | .... | .... |
| Anglo-Dutch (Java) Plantations Ltd. | .... | 9.80 | 10 | .... | .... | 9.80 | 10 | .... | 9.50 | .... | 9.30 | .... |
| Anglo-Java Estates, Ltd. | .... | 15.70 | 15.80 | .... | .... | 15.80 | 15.80 | .... | .... | .... | .... | .... |
| Ayer Tawah Rub. Plantation Co., Ltd. | .... | 5.60 | 5.55 | .... | .... | 5.60 | 5.55 | .... | .... | .... | .... | .... |
| Batu Anam (Johore) Rub. Ests., Ltd. | .... | 1.10 | 1.08 | .... | .... | .... | 1.09 | .... | 1.08 | .... | 1.06 | .... |
| Bute Plantations (1913), Ltd. | .... | .... | .... | 3.60 | .... | .... | .... | 3.60 | .... | .... | .... | .... |
| Chemor United Rubber Co., Ltd. | 1.30 | .... | 1.45 | .... | 1.25 | .... | 1.45 | .... | .... | .... | .... | .... |
| Cheng Rubber Estates, Ltd. | .... | .... | 0.45 | .... | .... | .... | 0.48 | .... | 0.45 | .... | 0.44 | .... |

| STOCK | Authorised Capital (No. of Shares) | Issued Capital (No. of Shares) | Paid up Value (or Face Value) | Fin. Year ends | Last Dividends, etc. | Paid or due | Business Done Year 1937 — Highest | Year 1937 — Lowest | Business Done Year 1938 — Highest | Year 1938 — Lowest | Total No. of Shares Done for — Last Week | This Week | Total Amount of Sales Reported Jan. 1—Dec. 16 — 1937 | 1938 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Banks, Finance Companies** | | | | | | | | | | | | | | |
| Central Properties, Ltd | 5,000,000 | 180,000 | $10 | Dec. | Div. 10% 1937 | 7-3-38 | 15 Feb | 14 June | 13 Oct | 13 Oct | .... | .... | 2,000 | 1,000 |
| China Bond & Share Co., Fed. Inc., U.S.A. | 200,000 | 120,000 | $10 | Dec. | Final Div. 6% (Mkg. 10% 1936) (Nil 1937) | 10-3-37 | 15.50 Apr | 15.50 Apr | 9 Oct | 9 Oct | .... | .... | 1,200 | 20 |
| China Finance Corp. Fed. Inc., U.S.A. | 400,000 | 400,000 | T5 | Dec. | Spec. Tax Div. Tls. 0.27½ = $0.39, 1931 (Nil 1937) | 14-3-32 | 0.40 Apr | 0.40 Feb | 0.50 Mar | 0.50 Mar | .... | .... | 29,200 | 1,000 |
| Hongkong & Shanghai Banking Corp. | 400,000 | 160,000 | H $125 | Dec. | Int. Div. £2-10-0 a/c 1938 (£5½ 1937) Less I/T | 8-8-38 | 1,945 June | 1,380 Dec. | 1,602½ Mar | 1,345 Oct | 53 | 28 | 243 | 685 |
| Inter. Invest. Trust Co. of China Ltd. | 2,000,000 | 350,000 | T10 | Mar. | Div. $0.75, 1934 (Nil 1937-38) | 4-5-34 | 4.25 Feb | 3 June | 2.85 Dec | 1 Nov | 8,000 | 1,000 | 51,700 | 20,000 |
| Shanghai Loan & Investment Co., Ltd. | 250,000 | 250,000 | T5 | Dec. | Div. $0.25 a/c 1934 (Nil 1937) | 25-2-35 | 5 Feb | 2.70 June | 6.50 Dec | 3.20 June | 43,686 | 17,800 | 17,186 | 259,120 |
| Union Mobiliere | 100,000 | 100,000 | $20 | Dec. | 3% for 1937 | 3-5-38 | 20 July | 18 Jan | .... | .... | .... | .... | 1,670 | .... |
| Yangtsze Finance Co., Ltd. | 2,000,000 | 517,500 | T10 | Mar. | Div. $0.20 a/c 1936-37 (Nil 1937-38) | 22-7-37 | 8 Mar | 6 July | 6.70 Dec | 4 Aug | 12,390 | 7,300 | 12,300 | 38,805 |
| **Insurances** | | | | | | | | | | | | | | |
| American-Asiatic Underwriters (ord.) | 75,000 | 75,000 | T10 | Dec. | Div. $1.40, 1934 (1937 Nil) | 15-5-35 | .... | .... | .... | .... | .... | .... | .... | .... |
| Asia Life Insurance Co. | 100,000 | 40,000 | $5 | Dec. | Div. 10% = G. $0.50, 1937 | 12-5-38 | 25 Dec | 16.50 Apr | .... | .... | .... | .... | 6,787 | .... |
| Assurance Franco-Asiatique | 70,000 | 70,000 | F100 | Dec. | Div. 5%, 1937 | 4-5-38 | .... | .... | .... | .... | .... | .... | .... | .... |
| International Assurance Co., Ltd. | 2,000,000 | 600,000 | T5 | Dec. | Div. $0.30, 1933 (Nil 1937) | 18-5-34 | 4.55 Feb | 3 Jan | 4.05 Aug | 2.30 Sept | 7,830 | 1,000 | 108,245 | 49,683 |
| Union Insurance Society of Canton Ltd. | 200,000 | 135,000 | £6 | Dec. | Int. Div. 15/–a/c 1938 (30/–, 1937) | 21-10-38 | 636 Apr | 515xd. Oct. | 560 Mar | 490 Sept | .... | 20 | 1,560 | 1,823 |
| **Lands** | | | | | | | | | | | | | | |
| Anglo-French Land Invest. Co., Ltd. | 25,000 | 19,335 | T100 | Feb. | Int. Div. $2.00 a/c 1938-39 ($4.00 a/c 1937-38) | 14-10-38 | 200 Feb | 190 Jan | 160 June | 160 June | .... | .... | 114 | 3 |
| Cathay Land Co., Ltd. | 500,000 | 480,374 | T10 | Dec. | Final 2% = $0.28 (Mkg. 6% 1933) (Nil 1937) | 5-5-34 | 3.75 Mar | 3 Apr | 3 Mar | 3 Mar | 30,100 | 6,500 | 17,300 | 37,000 |
| China Realty Co. Fed. Inc., U.S.A. | 800,000 | 500,000 | T10 | Dec. | Div. $0.15 a/c 1934 | 20-2-35 | 1.45 Mar | 0.90 June | 1.20 Dec | 0.50 Aug | .... | 33,300 | 90,150 | 63,900 |
| Fonciere et Immobiliere de Chine | 20,000 | 20,000 | T100 | Dec. | Int. Div. $5.00 a/c 1938 | 30-11-38 | .... | .... | .... | .... | .... | .... | .... | .... |
| Metropolitan Land Co., Ltd. "A" | 500,000 (A and B) | 39,800 | T10 | Sept. | Div. $0.80, 1934 (Nil 1938) | 28-11-34 | .... | .... | .... | .... | .... | .... | .... | .... |
| do. "B" | | 155,018 | T10 | Sept. | Div. $0.80, 1934 (Nil 1938) | 28-11-34 | .... | .... | .... | .... | .... | .... | .... | .... |
| San Sing Properties, Ltd. | 2,000,000 | 805,007 | T10 | Mar. | Div. 2% = $0.28, 1933 (Nil 1938) | 16-3-33 | .... | .... | .... | .... | .... | .... | .... | .... |
| Shanghai Land Investment Co., Ltd. | 2,386,800 | 2,386,800 | T5 | Dec. | Fin. 4% = $0.28 (Mkg. Tls. 0.50 1934) (Nil 1937) | 25-4-35 | 17 Feb | 8.70 Aug | 9.70 Dec | 7.25 Oct | 26,863 | 29,450 | 72,050 | 207,960 |
| Tientsin Land Investment Co., Ltd. | 120,000 | 64,281 | $50 | Dec. | Final 3% & Bonus 1% (Mkg. 11% 1937) | 28-2-38 | .... | .... | .... | .... | .... | .... | .... | .... |
| **Docks, Wharves and Transport** | | | | | | | | | | | | | | |
| New Eng. & Shipbuilding Works, Ltd. (ord.) | 500,000 | 300,000 | T5 | Dec. | Div. Tls. 0.30 = $0.42, 1932 (Nil 1937) | 14-3-33 | 3.80 Feb | 2.25 Jan | 5.85 Dec | 3.25 Feb | 37,565 | 7,500 | 20,177 | 129,127 |
| Shanghai Dock & Engineering Co., Ltd. | 55,700 | 55,200 | T25 | Dec. | Div. $3.50 a/c 1937 & Int. Div. $3.50 a/c 1938 | 15-3-38 | 108 July | 92 Jan | 131 Aug | 85 Oct | 3,200 | 1,253 | 6,409 | 14,801 |
| Shanghai & Hongkew Wharf Co., Ltd. | 80,000 | 60,000 | T100 | Dec. | Div. $5-a/c 1937 | 14-4-32 | 250 Feb | 140 Dec | 190 Aug | 145 Jan | 100 | 275 | 2,190 | 1,950 |
| Wheelock & Co., Ltd. | 1,000,000 | 217,602 | T10 | Mar. | Int. Div. $2.50-a/c 1938-39 | Pending | 18.60 June | 10.10 Feb | 35 Dec | 14 Mar | 16,953 | 19,265 | 107,272 | 158,680 |
| **Utilities** | | | | | | | | | | | | | | |
| China General Omnibus Co., Ltd. | 500,000 | 200,000 | T10 | Dec. | Div. Tls. 0.40 = $0.56 a/c 1938 | 10-12-38 | 13.30 Apr | 7.50 Jan | 22.50 Dec | 13 Apr | .... | 700 | 10,443 | 10,495 |
| Shanghai Gas Co., Ltd. | 700,000 | 560,000 | $10 | Dec. | Div. 4% 1936 (Nil 1937) | 8-4-37 | 10.70 Apr | 9 Feb | 7.80 Nov | 7.80 Nov | .... | 300 | 8,526 | 4,673 |
| Shanghai Telephone Company | 400,000 | 115,142 | T50 | Dec. | .. .. | .... | 86 Mar | 68 Jan | 69 Dec | 50 Sept | 131 | 620 | 3,368 | 2,196 |
| S'hai Electric Construction Co., Ltd. "Reg." | 700,000 (Reg. and Bear) | 670,000 | £1 | Dec. | Final Div. 5% (Mkg. 7%, 1937) Coupon 55 | 26-4-38 | 39.50 Apr | 36.50 Feb | 37 Aug | 32 Apr | 700 | 100 | 3,347 | 5,408 |
| do. "Bear" | | | | | | 26-4-38 | 41 Mar | 31.50 Dec. | 39 June | 30 May | 2,750 | 7,050 | 36,786 | 70,222 |
| S'hai Waterworks Co., Ltd. "A" | 40,236 | 40,236 | £20 | Dec. | Int. Div. 8/-a/c 1938 (36/-, 1937) Coupon 49 | 27-9-38 | 635 Mar | 625 June | 650 Aug | 510 May | 73 | 48 | 642 | 2,296 |
| do. "B" | 359,280 (B and C) | 108,505 | £1 | Dec. | Int. Div. 4.8d a/c 1938 (1/4. 8d, 1937) Coupon 22 | 27-9-38 | 25.75 Apr | 24.50 Feb | 28 Aug | 21 Apr | 145 | 500 | 967 | 5,443 |
| do. "C" | | 250,000 | £1 | Dec. | Int. Div. 4.8d a/c 1938 (1/7. 2d, 1937) Coupon 18 | 27-9-38 | 25.75 July | 24.50 Feb | 29 Aug | 21.25 Apr | .... | 100 | 6,957 | 7,420 |
| **Miscellaneous** | | | | | | | | | | | | | | |
| Auto Palace Co., Ltd. | 150,000 | 118,500 | $8 | Dec. | 2nd. Int. Div. $1.00 (Mkg. $2.00 a/c 1938) | Pending | 6.80 Mar | 5 Feb | 9 Nov | 5 June | .... | .... | 1,935 | 4,090 |
| Bakerite Co., Fed. Inc., U.S.A. "B" | 50,000 | 49,703 | $10 | Dec. | Div. $0.17 a/c 1937 | 16-3-38 | 10.75 July | 4.25 Mar | 11 Nov | 10 Nov | .... | .... | 10,612 | 219 |
| Caldbeck, Macgregor & Co., Ltd. (ord.) | 200,000 | 140,000 | T10 | Dec. | Div. $0.70 a/c 1937 | 29-4-38 | 16.50 Mar | 14.25 Jan | .... | .... | .... | .... | 2,150 | .... |
| China Import & Export Lumber Co., Ltd. | 500,000 | 231,803 | T10 | Feb. | Div. 6% = $0.84 a/c 1937-38 | 26-5-38 | 13 Mar | 13 Mar | 15 Aug | 12 June | .... | .... | 325 | 2,659 |
| Chinese Eng. & Mining Co., Ltd. "Bearer" | 2,000,000 | 1,960,000 | £1 | June | Div. 5% a/c 1936-37 Free of I/T Coupon 44 | 18-1-38 | 20.25 July | 13 Jan | 27.50 Dec | 16 June | 10,150 | 3,600 | 27,738 | 100,705 |
| Choson Corporation, Ltd. | 750,000 | 725,000 | £1 | June | Div. 1/- (Mkg. 1/9d. 1937) Less Tax (Nil 1938) | 15-1-38 | 10.60 Jan | 9.40 Jan | .... | .... | .... | .... | 9,300 | .... |
| Culty Dairy Co., Ltd. | 40,000 | 40,000 | T10 | Dec. | Div. $1, 1934-35 (Nil 1937) | 27-11-35 | 17 May | 15 July | 20 Aug | 19 Oct | .... | .... | 320 | 980 |
| Champ Course Francais French | 30,000 | 30,000 | $20 | Dec. | Div. $4.50 a/c 1934 (Nil 1937) | 1-3-35 | 22 May | 22 May | 37.50 Sept | 37.50 Sept | .... | .... | 10 | 70 |
| (French Race Course) non-French | | | | Dec. | Div. $4.50 a/c 1934 (Nil 1937) | 1-3-35 | .... | .... | 40 Nov | 32.50 May | .... | .... | .... | 1,645 |
| do. Founders | | 6,490 | Free | Dec. | Div. $4.62 a/c 1934 (Nil 1937) | 1-3-35 | 50 July | 45 May | 60 Dec | 55 Apr | .... | .... | 6 | 606 |
| Hall & Holtz, Ltd. | 28,000 | 26,342 | $20 | Feb. | Div. 5% = $1, 1934-35 (1937-38 Nil) | 30-5-35 | 10 June | 9 Mar | 10 Mar | 10 Mar | .... | .... | 170 | 5 |
| Hongkong & Shanghai Hotels, Ltd. | 1,500,000 | 1,193,867 | H $7.50 | Dec. | Div. H. $0.40 a/c 1937 | 6-4-38 | 8 Apr | 8 Apr | 7.25 Sept | 6.30 Apr | .... | .... | 500 | 1,000 |
| Kelly & Walsh, Ltd. | 75,000 | 45,000 | $10 | Feb. | Int. Div. $0.50 a/c 1938-39 | Pending | .... | .... | .... | .... | .... | .... | .... | .... |
| Mark L. Moody, Fed. Inc., U.S.A. | 100,000 | 30,000 | T10 | Dec. | Div. $1.25 a/c 1937 | 1-2-38 | .... | .... | .... | .... | .... | .... | .... | .... |
| Metal Industries of China, Ltd. | 2,000,000 | 250,000 | $5 | Dec. | .. .. | .... | 10.70 June | 5.90 Apr | 7.25 Dec | 6 Nov | 29,200 | 29,200 | 119,705 | 106,590 |
| Millington, Ltd. | 300,000 | 110,000 | $4 | Dec. | .. .. | .... | 1.50 June | 1.25 Jan | .... | .... | .... | .... | 6,250 | .... |
| Office Appliance Co., Ltd. | 80,000 | 60,000 | T8.50 | Dec. | Div. Tls. 0.40 = $0.56, a/c 1932 (Nil 1937) | 21-4-33 | .... | .... | 3 May | 3 May | .... | .... | .... | 750 |
| S'hai Exploration & Development Co., Ltd. | 600,000 | 597,251 | T2.50 | Dec. | 2nd. Int. Div. $0.30 (Mkg. $0.60 a/c 1938) | 16-12-38 | 3 Feb | 1.75 June | 8.40 Dec | 2 June | 23,500 | 23,500 | 22,245 | 579,906 |
| S'hai Vacuum Cleaning & Storage Co., Ltd. | 35,000 | 23,000 | T10 | Dec. | Int. Div. 5% = $0.70 a/c 1938 (10% a/c 1937) | 26-10-38 | .... | .... | .... | .... | .... | .... | .... | .... |
| S'hai Waterworks Fittings Co., Ltd. | 500,000 | 301,756 | T1 | Dec. | Div. 8% (= $0.11) 1935 (Nil 1937) | 17-3-36 | 1.50 Jan | 1 Feb | 1 Nov | 0.60 Oct | .... | .... | 18,193 | 11,888 |
| Union Brewery, Ltd. | 500,000 | 200,000 | T10 | Dec. | Div. $1.25, 1933 (Nil 1937) | 27-5-34 | 5.50 May | 3 Mar | 6 June | 6 June | .... | .... | 400 | 1,000 |
| **Bonds and Preferences** | | | | | | | | | | | | | | |
| American-Asiatic Underwriters, Cum. Pref. 8% | 5,000 | 5,000 | T100 | Dec. | 4% = $5.59 for ½ year ended Dec. 31, 1934 | 31-12-34 | .... | .... | .... | .... | .... | .... | .... | .... |
| do. Cum. Pref. 7% | 7,500 | 7,500 | T100 | Dec. | 3½% = $4.89 for ½ year ended 31-3-35 | 1-4-35 | .... | .... | .... | .... | .... | .... | .... | .... |
| Caldbeck, Macgregor & Co., Ltd. 8% cum. pref. | 100,000 | 80,000 | T10 | Dec. | Div. 8% = $1.12 for 1937 | 29-4-38 | 17.50 May | 15.50 Jan | 13 Oct | 12 Aug | .... | .... | 2,300 | 10,800 |
| Ch. Finance Corp. Fed. Inc., U.S.A. (Pref.) 8% | 600,000 | 205,125 | T5 | Dec. | Quarterly Div. Tls. 0.10 = $0.14, 1933 | 30-12-33 | .... | .... | .... | .... | .... | .... | .... | .... |
| Ewo Cotton Mills, Ltd. 8% cum. pref. | 10,000 | 9,000 | T100 | Dec. | Div. Tls. 8 = $11.19, 1937 | 3-5-38 | 179 July | 165 Apr | 153 Oct | 137 June | 50 | 20 | 877 | 821 |
| New Eng. & Shipbg Works, Ltd. 8% cum. pref. | 500,000 | 300,000 | T5 | Dec. | 4% (Mkg. 8%) a/c 1934 & 6½% a/c 1935 | 14-3-38 | 7 July | 5 Jan | 8 Dec | 4.75 June | 2,100 | 2,500 | 42,677 | 30,964 |
| S'hai Power Co. Tls. 6 cum. Pref. stock | 230,000 | 220,000 | T100 | Dec. | 3rd Quarterly Div. Tls. 1.50 = $2.0979, a/c 1938 | 1-10-38 | 137.50 Feb | 122 Jan | 125 Aug | 99 Apr | 922 | 1,035 | 13,361 | 22,692 |
| Shanghai Tug Lighter Co., Ltd. 7% pref. | 10,000 | 10,000 | T50 | Dec. | Int. Tls. 1.75 = $2.44 a/c 1938 | 17-11-38 | 73 Mar | 65 May | 62½ Nov | 50 June | .... | .... | 2,155 | 1,632 |
| S'hai Waterworks Co., Ltd. 7% cum. pref. | 100,000 | 100,000 | T10 | Dec. | 3½% = $0.49 for half year ended 30-6-38 | 27-9-38 | 17 Mar | 16 July | 13.75 Mar | 13 Oct | .... | .... | 7,295 | 1,750 |
| do. 6½% cum. pref. | 100,000 | 100,000 | T10 | Dec. | 3¼% = $0.45 for half year ended 30-6-38 | 27-9-38 | 16 July | 13.75 Dec | 13.75 Dec | 12.65 May | .... | 50 | 5,530 | 730 |
| **Cottons** | | | | | | | | | | | | | | |
| Ewo Cotton Mills, Ltd., Ordinary | 2,000,000 | 1,200,000 | T5 | Dec. | Int. Div. $0.75 a/c 1938 | Pending | 18.50 June | 12 Dec | 20.20 Aug | 12 Feb | 47,600 | 24,150 | 890,067 | 873,089 |
| Shanghai Cotton Mfg. Co., Ltd. | 240,000 | 240,000 | $50 | Apr. | Div. $2.50 & Bonus $0.50 for Yr. ended 31/10/38 | 28-11-38 | 121.25 Apr | 92 Jan | 111 Dec | 80 July | 50 | 686 | 3,240 | 2,696 |
| Zoong Sing Cotton Mills, Ltd. | 200,000 | 150,000 | T10 | June | Div. $5 & Bonus $5 a/c 1936-37 (Nil 1937-38) | 30-12-37 | 35 June | 29 Mar | 29.75 Sept | 29.75 Sept | .... | .... | 900 | 1,000 |
| **Plantations** | | | | | | | | | | | | | | |
| Alma Estates, Ltd. | 70,000 | 70,000 | £1 | Sept. | Div. $0.50 a/c 1937-38 | Pending | 30 Apr | 16xd. Dec | 20 Oct | 15 Feb | 100 | .... | 5,510 | 2,795 |
| Anglo-Dutch (Java) Plantations Ltd. | 400,000 | 350,000 | 10s | Dec. | Final Div. $0.10 (Mkg. $0.70 a/c 1937) | 20-5-38 | 13.75 Apr | 7 Dec | 10.20 Oct | 6.50 Feb | 100 | 200 | 67,360 | 12,113 |
| Anglo-Java Estates, Ltd. | 500,000 | 496,000 | 10s | Dec. | Int. Div. $0.25 a/c 1938 ($1.50, a/c 1937) | 11-11-38 | 19.60 Apr | 11 Sept | 16.50 Oct | 11 Feb | .... | .... | 201,984 | 13,155 |
| Ayer Tawah Rub. Plantation Co., Ltd. | 500,000 | 335,199 | T1 | Sept. | Fin. Div. $0.15 (Mkg. $0.25, 1937-38) | Pending | 7.25 Apr | 4 Dec | 5.60 Oct | 4 May | 500 | .... | 19,829 | 12,362 |
| Batu Anam (Johore) Rub. Ests., Ltd. | 960,000 | 960,000 | T0.10 | Dec. | Final Div. $0.01 (Mkg. $0.10 a/c 1937) | 12-4-38 | 1.86 Apr | 0.85 Dec | 1.15 Oct | 0.70 Jan | .... | 8,160 | 672,910 | 192,590 |
| Bute Plantations (1913), Ltd. | 500,000 | 353,698 | T1 | Dec. | Final Div. $0.15 (Mkg. $0.45, a/c 1937) | 11-4-38 | 6.40 Apr | 3.20 Dec | 4 Oct | 3 June | .... | .. | 260,240 | 31,250 |
| Chemor United Rubber Co., Ltd. | 1,200,000 | 956,747 | T0.10 | Dec. | Div. $0.15 a/c 1937 | 21-4-38 | 2.05 Apr | 0.80 Oct | 1.50 Oct | 0.85 Feb | 200 | .... | 481,150 | 208,331 |
| Cheng Rubber Estates, Ltd. | [illegible] | [illegible] | T0.10 | [illegible] | Div. $0.06 a/c 1936-37 (Nil 1937-38) | 13-10-37 | 1.31 Apr | 0.47 Dec | 0.54 Oct | 0.10 Sept | 300 | 2,000 | 1,252,535 | 421,908 |

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gula-Kalumpong Rub. Ests., Ltd. | .... | .... | .... | 32 | .... | .... | .... | 32 | .... | .... | .... | .... |
| Java-Cons. Rub. & Coffee Ests. Ltd. | .... | 2.27½ | 2.27½ | .... | .... | 2.32½ | 2.35 | .... | 2.27½ | .... | 2.27½ | .... |
| Kapayang Rubber Estates, Co., Ltd. | .... | .... | 20 | .... | .... | .... | 20 | .... | .... | .... | .... | .... |
| Kota Bahroe Rub. Ests. (1921), Ltd. | .... | .... | 2.70 | .... | .... | .... | 2.70 | .... | .... | .... | .... | .... |
| Kroewoek Java Plantations Ltd. | 1.16 | .... | 1.16 | .... | 1.19 | 1.20 | 1.20 | .... | 1.19 | .... | 1.16 | .... |
| Langkat | 9.25 | 9.50 | 9.50 | .... | 9.25 | .... | 9.50 | .... | .... | .... | .... | .... |
| Padang Rubber Co., Ltd. | .... | 1.10 | 1.08 | .... | 1.08 | .... | 1.08 | .... | .... | .... | .... | .... |
| Permata Rubber Estate, Ltd. | .... | .... | 0.80 | .... | .... | .... | 0.80 | .... | .... | .... | .... | .... |
| Repah Rubber & Tapioca Ests. Ltd. | .... | .... | 0.80 | .... | .... | .... | 0.80 | .... | .... | .... | .... | .... |
| Rubber Trust, Ltd. | .... | .... | .... | 3.50XD | 3.75 | 3.90 | 3.75 | .... | 3.80 | .... | 3.80 | .... |
| Samagaga Rubber Co., Ltd. | 0.80XD | 0.90XD | .... | 0.78 | .... | .... | 0.80 | .... | .... | .... | .... | .... |
| Semambu Rubber Ests., Ltd. | .... | .... | 0.90 | .... | .... | .... | 0.90 | .... | .... | .... | .... | .... |
| Senawang Rub. Ests., Co. (1921), Ltd. | .... | .... | 1.01 | .... | .... | .... | 1.01 | .... | .... | .... | .... | .... |
| Shanghai Kedah Plantations, Ltd. | .... | .... | 5.90 | .... | .... | .... | 5.90 | .... | .... | .... | .... | .... |
| S'hai Kelantan Rub. Ests. (1925), Ltd. | 0.36 | .... | 0.37 | .... | .... | 0.39 | 0.40 | .... | 0.38 | .... | 0.36 | .... |
| S'hai Malay Rub. ) ord. | .... | .... | .... | 16 | .... | .... | .... | 16 | .... | .... | .... | .... |
| Ests., Ltd. ) 8% cum. part. pref. | .... | .... | .... | 23 | .... | .... | .... | 23 | .... | .... | .... | .... |
| S'hai Pahang Rubber Estate, Ltd. | .... | .... | .... | 2.55 | .... | .... | .... | 2.55 | .... | .... | .... | .... |
| S'hai Seremban Rubber Estates, Ltd. | .... | 1.70 | .... | 1.85 | .... | 1.85 | .... | 1.85 | .... | .... | .... | .... |
| S'hai Sumatra Rubber Ests., Ltd. | .... | 14.50 | 13.50 | .... | .... | 14.50 | 13.50 | .... | .... | .... | .... | .... |
| Sua Manggis Rubber Co., Ltd. | .... | .... | 1.80 | .... | .... | 1.75 | 1.80 | .... | .... | .... | .... | .... |
| Sungala Rubber Estate, Ltd. | .... | .... | 5.50 | .... | .... | .... | 5.50 | .... | .... | .... | .... | .... |
| Sungei Duri Rubber Estate, Ltd. | .... | .... | 32.50 | .... | .... | .... | 32.50 | .... | .... | .... | .... | .... |
| Tanah Merah Estates (1916), Ltd. | .... | 2 | 1.92½ | .... | 1.90 | 2 | 1.90 | .... | 1.92½ | .... | 1.90 | .... |
| Tebong Rubber Estate, Ltd. | 0.86 | 0.88 | 0.87 | .... | 0.86 | 0.90 | 0.87 | .... | 0.88 | .... | 0.85 | .... |
| Ziangbo Rubber Co., Ltd. | .... | .... | 14.50 | .... | .... | .... | 14.50 | .... | .... | .... | .... | .... |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gula-Kalumpong Rub. Ests., Ltd. | 850,000 | 750,000 | 2/- | Dec. | Final Div. $0.09 (Mkg. $0.21 a/c 1937) | | 53 Mar | 33.25 May | .... | .... | .... | .... | | |
| Java-Cons. Rub. & Coffee Ests. Ltd. | 15,000 | 14,800 | T10 | Dec. | Final Div. $0.50 (Mkg. $1.50 a/c 1937) | 1-4-38 | 3.20 Apr | 1.80 Dec | 2.50 Oct | 1.55 Jan | .... | 1,000 | 587,580 | 81,470 |
| Kapayang Rubber Estates, Co., Ltd. | 500,000 | 461,804 | T0.75 | June | Final Div. $0.05 (Mkg. $0.10 a/c 1937-38) | 21-3-38 | 38 Apr | 27 Jan | 20 June | 20 Apr | .... | .... | 6,225 | 950 |
| Kota Bahroe Rub. Ests. (1921), Ltd. | 2,200,000 | 2,200,000 | T0.10 | Dec. | Final Div. $0.06 (Mkg. $0.12, a/c 1937) | 30-9-38 | 4.85 Apr | 2.50 Dec | 3 Aug | 1.80 Mar | 120 | .... | 410,186 | 56,735 |
| Kroewoek Java Plantations Ltd. | 250,000 | 250,000 | Gs.10 | Oct. | Div. Tls. 0.50 = $0.70, 1928-29 (Nil 1937) | 11-3-38 | 1.53 Apr | 0.70 Oct | 1.32 Oct | 0.70 Feb | 10,000 | 7,000 | 1,193,630 | 663,500 |
| Langkat | 500,000 | 500,000 | T1 | Apr. | Final Div. $0.05 (Mkg. $0.08 a/c 1937-38) | 3-3-30 | 14.56 Mar | 7 Jan | 11 Aug | 4 Apr | 681 | .... | 43,052 | 41,921 |
| Padang Rubber Co., Ltd. | 350,000 | 317,219 | $1 | Oct. | Final Div. $0.04 (Mkg. $0.10, a/c 1936-37) | 15-7-38 | 1.90 Apr | 1 Nov | 1.37½ June | 1 Feb | 5,250 | .... | 314,600 | 87,000 |
| Permata Rubber Estate, Ltd. | 1,350,000 | 1,350,000 | T0.10 | Dec. | Final Div. $0.03 (Mkg. $0.09 a/c 1937) | 9-2-38 | 1.10 Apr | 0.60 Dec | 1 Mar | 0.60 Jan | .... | .... | 66,580 | 31,000 |
| Repah Rubber & Tapioca Ests. Ltd. | 25,000,000 | 1,082,000 | T1 | Sept. | Div. $0.25 a/c 1937-38 | 20-4-38 | 1.28 Apr | 0.60 Oct | 0.93 Oct | 0.60 Feb | 1,025 | .... | 646,752 | 161,900 |
| Rubber Trust, Ltd. | 6,000,000 | 1,011,000 | T0.10 | Sept. | Div. $0.02 a/c 1937-38 | 14-12-38 | 5.72½ Mar | 2.90 Dec | 4.02½ Oct | 2.50 May | 5,500 | 500 | 526,438 | 224,999 |
| Samagaga Rubber Co., Ltd. | 900,000 | 900,000 | T0.10 | Dec. | Final Div. $0.03 (Mkg. $0.09, 1937) | 14-12-38 | 1.10 Apr | 0.55 Jan | 0.83 Oct | 0.60 May | .... | .... | 659,555 | 37,400 |
| Semambu Rubber Ests., Ltd. | 1,140,000 | 1,140,000 | T0.10 | Jan. | Final Div. $0.04 (Mkg. $0.08 a/c 1937-38) | 29-3-38 | 1.35 Apr | 0.67 Nov | 0.92 Mar | 0.63 Feb | .... | .... | 352,180 | 188,250 |
| Senawang Rub. Ests., Co. (1921), Ltd. | 400,000 | 300,000 | T1 | Sept. | Div. $0.30 a/c 1937-38 | 30-5-38 | 1.49 Apr | 0.80 Dec | 1.06 Oct | 0.67 Feb | .... | .... | 996,525 | 255,420 |
| Shanghai Kedah Plantations, Ltd. | 1,400,000 | 1,400,000 | T0.10 | Dec. | Final Div. $0.02 (Mkg. $0.04 a/c 1937) | Pending | 8.75 Apr | 4.80 Dec | 6.70 June | 4.80 Feb | .... | .... | 66,195 | 21,225 |
| S'hai Kelantan Rub. Ests. (1925), Ltd. | 30,000 | 30,000 | T10 | Dec. | Div. $0.75 a/c 1937 | 22-4-38 | 0.65 Apr | 0.30 Dec | 0.43 Oct | 0.25 Jan | 1,000 | 1,000 | 2,551,121 | 584,166 |
| S'hai Malay Rub. ) ord. | 30,000 | 7,380 | T10 | Dec. | Div. 8% = $1.12 and $0.75 a/c 1937 | 22-4-38 | 30 Apr | 14 Jan | 15 Sept | 10 May | .... | .... | 8,165 | 340 |
| Ests., Ltd. ) 8% cum. part. pref. | 300,000 | 235,900 | T1 | June | Div. $0.24, 1936-37 (1937-38 Nil) | 22-4-38 | 37.50 Mar | 30 Mar | 28 June | 15 Apr | .... | .... | 1,345 | 160 |
| S'hai Pahang Rubber Estate, Ltd. | 325,000 | 325,000 | T1 | Dec. | Final Div. $0.10 (Mkg. $0.20 a/c 1937) | 15-10-37 | 5.97½ Mar | 3.00 Aug | 3 June | 2.35 Mar | 500 | .... | 74,120 | 14,400 |
| S'hai Seremban Rubber Estates, Ltd. | 120,000 | 76,956 | T5 | Oct. | Final Div. $0.80 (Mkg. $1.30 a/c 1936-37) | 14-3-38 | 2.35 Apr | 1.40 July | 1.85 June | 1 Jan | .... | .... | 203,450 | 39,250 |
| S'hai Sumatra Rubber Ests., Ltd. | 280,000 | 270,000 | T1 | Dec. | Final Div. $0.10 (Mkg. $0.20 a/c 1937) | 28-2-38 | 21 Apr | 13.90 June | 13.50 Oct | 7 Feb | .... | .... | 17,600 | 9,756 |
| Sua Manggis Rubber Co., Ltd. | 180,000 | 180,000 | T1 | Mar. | Int. Div. $0.10 a/c 1938-39 ($0.40 a/c 1937-38) | 28-2-38 | 2.41 Apr | 1.40 July | 1.90 Mar | 1.40 Apr | .... | .... | 308,770 | 42,875 |
| Sungala Rubber Estate, Ltd. | 40,000 | 40,000 | (T8.50) £1 | June | Final Div. $1-(Mkg. $1.50 a/c 1937-38) | 31-10-38 | 7.05 Apr | 4.50 Nov | 5.50 Dec | 3.50 Feb | .... | .... | 59,209 | 8,473 |
| Sungei Duri Rubber Estate, Ltd. | 1,500,000 | 1,300,000 | T1 | Mar. | Int. Div. $0.03 a/c 1938-39 ($0.14 a/c 1937-38) | 23-9-38 | 48 Apr | 27 Dec | 33 June | 22 Apr | .... | .... | 6,575 | 5,907 |
| Tanah Merah Estates (1916), Ltd. | 4,000,000 | 4,000,000 | T0.10 | Jan. | Final Div. $0.04 (Mkg. $0.08 a/c 1937-38) | 25-11-38 | 3.03 Apr | 1.70 Dec | 2.17½ Oct | 1.45 May | 1,000 | 2,000 | 1,063,896 | 142,004 |
| Tebong Rubber Estate, Ltd. | 300,000 | 250,000 | 10s. | Dec. | Final Div. $0.90 (Mkg. $1.50 a/c 1937) | 31-5-38 | 1.26 Apr | 0.68 Dec | 0.99 Oct | 0.63 Jan | .... | 15,000 | 2,763,652 | 628,068 |
| Ziangbo Rubber Co., Ltd. | | | | | | 1-4-38 | 18.10 Apr | 11.25 Nov | 15 Oct | 10 May | 4,200 | .... | 51,910 | 14,098 |

Quotations in Chinese Dollars unless otherwise stated * Quoted in Hongkong Dollars.

## Rubber Output Statistics

| Company | Agents | Paid up Capital $ | Output last fin. year: Year ended | Output last fin. year: Quantity (lbs.) | Provisional Assessments of Standard Production for 1938 | Output for month of Oct. 1938 (lbs.) | Total Output this financial year (including Oct. 1938) (lbs.)* |
|---|---|---|---|---|---|---|---|
| Alma | W | 881,119 | 30-9-37 | 544,500 | 669,200 | 32,000 | 32,000 ( 1) |
| Anglo-Dutch | W | 2,202,797 | 31-12-37 | 1,375,679 | 1,779,657 | 67,020 | 1,479,107 (10) |
| Anglo-Java | W | 2,927,288 | 31-12-37 | 3,900,860 | 3,745,574 | 292,330 | 1,915,136 (10) |
| Ayer Tawah | G | 469,229 | 30-9-38 | 544,000 | 719,100 | 39,500 | 39,500 ( 1) |
| Batu Anam | W | 134,266 | 31-12-37 | 475,700 | 609,913 | 25,000 | 315,000 (10) |
| Bute | B | 494,682 | 31-12-37 | 640,507 | 756,000 | 29,450 | 366,095 (10) |
| Chemor United | W | 133,811 | 31-12-37 | 655,500 | 740,900 | 31,000 | 392,000 (10) |
| Cheng | W | 147,054 | 30-6-38 | 319,400 | 344,300 | 15,000 | 57,000 ( 4) |
| Consolidated (1914) | B | 508,570 | 31-12-37 | 1,111,800 | 1,319,500 | 50,800 | 704,700 (10) |
| Dominion | B | 279,720 | 31-12-37 | 681,630 | 762,200 | 32,900 | 418,900 (10) |
| Gula-Kalumpong | — | £ 665,000 | 31-12-37 | 4,050,000 | 5,279,336 | — | — |
| Java Consolidated | W | 909,249 | 31-12-37 | 1,043,221 | 938,520 | 52,910 | 547,472 (10) |
| Kapayang | W | 206,993 | 31-12-37 | 153,500 | 174,940 | 8,000 | 90,000 (10) |
| Kota Bahroe (1921) | B | 484,410 | 30-6-38 | 630,500 | 781,275 | 36,000 | 141,100 ( 4) |
| Kroewoek | W | 307,692 | 31-12-37 | 965,853 | 1,227,557 | 89,948 | 675,267 (10) |
| Langkat | M | 2,552,448 | 31-10-37 | 1,181,000 | 1,607,775 | 72,000 | 947,000 (12) |
| Padang | B | 699,301 | 30-4-38 | 334,400 | 381,200 | 17,100 | 103,200 ( 6) |
| Permata | F | 317,219 | 31-10-37 | 115,137 | 129,400 | — | — (12) |
| Repah | W | 188,811 | 31-12-37 | 581,700 | 620,000 | 25,000 | 335,000 (10) |
| Rubber Trust | W | 1,513,287 | 30-9-38 | 1,524,197 | 286,355 | 117,000 | 117,000 ( 1) |
| Samagaga | W | 141,399 | 30-9-38 | 294,399 | 471,000 | 15,000 | 15,000 ( 1) |
| Semambu | W | 125,875 | 31-12-37 | 422,000 | 503,800 | 23,000 | 289,000 (10) |
| Senawang (1921) {Ord. {Pref. | W W | 206,913 | 31-1-38 | 577,100 | 660,380 | 20,000 | 275,000 ( 9) |
| Shanghai Kedah | B | 419,580 | 30-9-38 | 659,300 | 924,831 | 44,800 | 44,800 ( 1) |
| S'hai Kelantan (1925) | T | 195,804 | 31-12-37 | 294,165 | 343,807 | 11,950 | 161,800 (10) |
| Shanghai Malay {Ord. {Pref. | W | 802,517 | 31-12-37 | 607,080 | 664,545 | 25,000 | 365,000 (10) |
| Shanghai Pahang | B | 329,930 | 30-6-38 | 458,500 | 565,600 | 25,000 | 114,800 ( 4) |
| Shanghai Seremban | W | 454,545 | 31-12-37 | 255,100 | 309,000 | 12,000 | 157,000 (10) |
| Shanghai Sumatra | M | 538,154 | 31-10-37 | 700,000 | 868,436 | 36,000 | 509,500 (12) |
| Sua-Manggis | W | 377,622 | 31-12-37 | 232,100 | 255,000 | 10,000 | 142,000 (10) |
| Sungala | G | 252,000 | 31-3-38 | 357,250 | 464,100 | 24,200 | 169,360 ( 7) |
| Sungei Duri | B | 475,524 | 30-6-38 | 518,500 | 688,690 | 31,350 | 123,180 ( 4) |
| Tanah Merah (1916) | B | 1,818,182 | 31-3-38 | 1,120,300 | 1,329,343 | 52,000 | 423,000 ( 7) |
| Tebong | W | 559,441 | 31-1-38 | 1,340,000 | 1,375,900 | 60,000 | 606,000 ( 9) |
| Ziangbo | W | 1,440,619 | 31-12-37 | 1,539,729 | 1,618,624 | 78,925 | 843,471 (10) |

*Numbers in brackets indicate the number of monthly outputs included in said totals
B—A. R. Burkill & Sons, Ltd., 20 Canton Road
F—Frost, Bland & Co., Ltd., 190 Kiukiang Road
G—Geddes Trading & Dairy Farm Co., Ltd., 61 Yuen Ming Yuen Road
M—George McBain, 1 The Bund
T—Turner, Sturrock & Brown, 9 Av. Edward VII
W—J. A. Wattie & Co., Ltd., 93 Canton Road

## Rubber Prices

| December | 10th | 12th | 13th | 14th | 15th | 16th |
|---|---|---|---|---|---|---|
| *London Spot* | 7.15/16d | 8d | 8d | 8d | 8d | 8d |
| January | 8d | 8d | 8d | 8d | 8d | 8d |
| February | 8d | 8.1/16d | 8.1/16d | 8d | 8.1/16d | 8.1/16d |
| Apr./June | 8.1/8d | 8.1/8d | 81./8d | 8.1/8d | 8.1/8d | 8.3/16d |
| July/Sept | 8.3/16d | 8.3/16d | 8.3/16d | 8.3/16d | 8.3/16d | 8.1/4d |
| Market | Steady | Steady but idle | Very steady | Quiet | Steady | Quiet steady |
| *Singapore Spot* | 27.3/8 | 27.1/2 | 27.3/8 | 27.1/2 | 27.1/2 | 27.7/8 |
| Jan./Mar. | 27.5/8 | 27.3/4 | 27.5/8 | 27.3/4 | 27.3/4 | 28.1.4 |
| Market | Dull | Very quiet | Quiet | Very quiet | Steady | Quiet steady |
| *New York* | | | | | | |
| December | 16.09 | 16.12 | 16.08 | 16.09 | 16.30 | 16.21 |
| January | 16.02 | 16.07 | 16.02 | 16.00 | 16.21 | 16.09 |
| March | 16.02 | 16.06 | 16.00 | 15.96 | 16.21 | 16.07 |
| May | 16.03 | 16.05 | 15.99 | 15.95 | 16.19 | 15.96 |

**Shanghai Power Co.**—The regular quarterly dividend of Tls. 1.50 per share on the Tls. 6 Silver Preferred Stock has been declared for payment January 5, 1939, to stockholders of record December 15, 1938.

**The Metropolitan Land Co., Ltd.**—The Debenture Transfer Books will be closed from December 21st to 31st, both days inclusive.

**The Anglo-French Land Investment Co., Ltd.**—The Debenture Transfer Books will be closed from December 23rd to 31st, both days inclusive.

**Columbia Country Club**—The Debenture Transfer Books will be closed from December 24th to 31st, both days inclusive.

**The Cathay Land Co., Ltd.**—The Debenture Transfer Books will be closed from December 17th to 31st, both days inclusive.

## Debentures

| OPENING PRICES Dec. 13th 1938 | Buyers | Sellers | Nominal | Last Done: Price | Last Done: Date | Loan amount outstanding | Interest payable at end of | Business Done 1938: High | Business Done 1938: Low | Total amount of sales Jan. 5—Dec. 16 1938 |
|---|---|---|---|---|---|---|---|---|---|---|
| Shanghai Municipal Council 6% 1926 (10/30) Tls. | 98½ | .. | .. | 99 | 12-12-38 | Tls. 4,880,000 | June-Dec. | 99 | 94½ | 278,000 |
| " " " 5% 1934 (10/30) $ | 85 | .. | .. | 78 | 24-10-38 | $10,404,700 | do. | 78 | 78 | 31,000 |
| " " " 5½% 1936 ( 10 ) " | 92½ | .. | .. | 93 | 16-12-38 | $5,000,000 | do. | 93 | 88½ | 388,400 |
| " " " 5% 1937 (10/30) " | 85 | .. | .. | 83½ | 12-12-38 | $9,000,000 | do. | 83½ | 76½ | 211,100 |
| French Municipal Council 6% 1911 (10/30) Tls. | 95 | .. | .. | 90 | 16-8-38 | 121,100 | May-Nov. | 90 | 90 | 400 |
| " " " 5½% 1914 ( " ) " | 90 | .. | .. | 97½ | 12-6-36 | 271,000 | June-Dec. | — | — | — |
| " " " 5½% 1916 ( " ) " | 90 | .. | .. | 100½ | 31-4-34 | 203,700 | do. | — | — | — |
| " " " 8% 1921 ( " ) " | 100 | .. | .. | 100 | 9-12-38 | 1,679,300 | do. | 101 | 100 | 27,600 |
| " " " 6% 1923 ( " ) " | 95 | .. | .. | 90 | 16-8-38 | 731,000 | May-Nov. | 90 | 90 | 5,300 |
| " " " 7% 1924 ( " ) " | 97 | .. | .. | 95 | 11-11-38 | 759,600 | Mar-Sept. | 96 | 96 | 3,200 |
| " " " 6½% 1925 (20/30) " | 96 | .. | .. | 94 | 4-11-38 | 2,000,000 | Apr.-Oct. | 94 | 94 | 2,000 |
| " " " 6½% 1926 ( " ) " | 96 | .. | .. | 102½ | 21-6-37 | 1,000,000 | Jan.-July | — | — | — |
| " " " 6% 1930 (10/25) " | 94 | .. | .. | 103 | 19-7-37 | 2,000,000 | Apr.-Oct. | — | — | — |
| " " " 6% 1931 ( " ) " | 94 | .. | .. | 93 | 8-11-38 | 3,000,000 | Feb.-Aug. | 93 | 93 | 7,000 |
| " " " 6% 1933 (10/30) " | 91 | .. | .. | 100 | 11-8-37 | 2,000,000 | Mar.-Sept. | — | — | — |
| " " " 5% 1934 ( " ) $ | 80 | .. | .. | 77 | 15-10-38 | $5,000,000 | Jan.-July | 77 | 77 | 12,800 |
| " " " 6% 1936 (10/15) " | 94½ | .. | .. | 95 | 13-12-38 | $2,500,000 | May-Nov. | 95 | 92 | 315,000 |
| American Club 7% 1933 ( 5/20) Tls. | .. | .. | 45 | 89 | 20-10-36 | 750,000 | 1/4-1/10 | — | — | — |
| Anglo-French Land Invest. Co. 6% 1931 (10/20) " | 91 | .. | .. | 100 | 9-6-37 | 1,000,000 | June-Dec. | — | — | — |
| Asia Realty Co. 6% 1930 (10/30c " | 40 | .. | .. | 90 | 7-2-35 | 1,360,200 | 1/3-1/9 | — | — | — |
| " " 6% 1930 (10/30)r " | 40 | .. | .. | 90 | 7-2-35 | 3,000,000 | 1/4-1/10 | — | — | — |
| Cathay Land Co. 6% 1930 ( 5/20) " | .. | 55 | .. | 80 | 10-3-37 | 3,000,000 | June-Dec. | — | — | — |
| " " " 6% 1932 (10/20) " | .. | 55 | .. | 80 | 28-6-37 | 1,000,000 | do. | — | — | — |
| " " " 6% 1933 ( " ) $ | .. | 55 | .. | 80 | 28-6-37 | $1,500,000 | do. | — | — | — |
| Central Properties 5½% 1934 ( 10 ) " | 83 | .. | .. | 79 | 12-10-38 | $18,000,000 | do. | 79 | 79 | 150,000 |
| China Realty Co. 8% 1930 ( 5/10) Tls. | 63 | .. | .. | 56 | 16-12-38 | 3,000,000 | 1/4-1/10 | 63 | 40 | 602,800 |
| " " " 8% 1931 ( " ) " | 63 | .. | .. | 56 | 16-12-38 | 4,500,000 | 1/4-1/10 | | | |
| China Transport 8% 1931 ( 4/20) " | .. | .. | 70 | 100 | 15-5-34 | 600,000 | June-Dec. | — | — | — |
| City Loan 7% 1932 ( 20 ) $ | .. | 58 | .. | 54 | 15-12-38 | $6,000,000 | 15/6-15/12 | 54 | 54 | 1,000 |
| " " 7% 1934 ( 12 ) " | .. | .. | 68 | 92 | 16-7-37 | $3,500,000 | 30/6-30/12 | — | — | — |
| Columbia Country Club 7% 1933 (1/12-20) Tls. | 80 | .. | .. | 93 | 5-7-37 | 350,000 | June-Dec. | — | — | — |
| Country Club 6% 1901 (Perpl) " | 90 | .. | .. | 95 | 18-2-37 | 122,100 | do. | — | — | — |
| Fonciere et Immobiliere {6% 1930 (10/15) " | 88 | .. | .. | 84 | 6-10-38 | 1,000,000 | do. | 84 | 84 | 10,000 |
| {6% 1933 (10/15) " | 88 | .. | .. | 84 | 6-10-38 | 1,000,000 | do. | | | |
| Fonciere et Immobiliere 6% 1934 ( " ) $ | 88 | .. | .. | 84 | 2-11-38 | $1,925,000 | do. | 84 | 84 | 5,000 |
| French Club 7% Tls. | .. | .. | 75 | 82 | 5-3-37 | 500,000 | do. | — | — | — |
| International Investment Trust 6% 1930 (10/25) " | .. | .. | 50 | 78 | 15-7-37 | 1,951,000 | 1/4-1/10 | — | — | — |
| " " " 6% 1931 ( " ) " | .. | .. | 50 | 78 | 15-7-37 | 963,000 | 1/4-1/10 | | | |
| G. E. Marden & Co. 6% 1930 (10/15) " | 80 | .. | .. | 97 | 29-4-37 | 500,000 | June-Dec. | — | — | — |
| Metropolitan Land Co. 6% 1933 (10/20) $ | .. | .. | 70 | 85 | 14-7-37 | $2,000,000 | do. | — | — | — |
| Race Club 6% 1934 (10/25) " | 85 | .. | .. | 78 | 23-9-38 | $2,000,000 | Feb.-Aug. | 78 | 78 | 1,800 |
| Realty Investment Co. 6% 1934 (10/30) " | 69 | .. | .. | 70 | 8-12-38 | $500,000 | June-Dec. | 70 | 70 | 5,000 |
| Shanghai Land Investment Co. 6% 1926 (20/30) Tls. | 90 | .. | .. | 90 | 3-12-38 | 1,000,000 | Mar.-Sept. | 90 | 76 | 20,500 |
| " " " " 5% 1930 ( 15 ) " | 84 | .. | .. | 87 | 3-7-37 | 5,000,000 | 31/5-30/11 | — | — | — |
| " " " " 6% 1931 (10/20) " | 90 | .. | .. | 99½ | 26-7-37 | 3,000,000 | June-Dec. | — | — | — |
| " " " " 6% 1933 ( 5/20) " | 90 | .. | .. | 76 | 8-11-38 | 1,000,000 | do. | 76 | 76 | 100 |
| " " " " 5% 1934 ( 5/40) $ | 84 | .. | .. | 85 | 9-12-38 | $2,800,000 | Apr.-Oct. | 85 | 83½ | 34,000 |
| Shanghai Power Co. 5½% 1933 (10/40) " | 82½ | 82½ | .. | 82½ | 16-12-38 | $88,000,000 | 10/2-10/8 | 82½ | 77 | 1,806,800 |
| Shanghai Telephone Co. "A" 6% 1932 (10/25)r Tls. | 86 | .. | .. | 98½ | 5-8-37 | 5,000,000 | 1/2-1/8 | — | — | — |
| " " " "B" 6% 1933 ( 9/24)c $ | 86 | .. | .. | 86½ | 13-12-38 | $10,000,000 | 1/2-1/8 | 86½ | 84 | 316,000 |
| " " " "B" 6% 1933 ( 9/24)r " | 86 | .. | .. | 86½ | 13-12-38 | | 1/2-1/8 | | | |
| " " " "C" 6% 1937 ( 20 )r " | 86 | .. | .. | 99 | 22-7-37 | $4,000,000 | 1/2-1/8 | — | — | — |
| Tientsin Land Investment Co. 7% 1929 (12/22) Tls. | .. | .. | 93½ | 103 | 22-12-33 | 1,446,600 | June-Dec. | — | — | — |
| Shanghai Waterworks Co. 6% 1932 (10/30) " | 98 | .. | .. | 96 | 9-12-38 | 2,800,000 | do. | 96½ | 94 | 8,800 |
| " " " 5% 1937 ( " ) $ | 92 | .. | .. | 104 | 28-7-37 | $2,000,000 | do. | — | — | — |
| " " " 5% 1937 ( " ) " | 85 | .. | .. | 100 | 15-7-37 | $725,000 | do. | — | — | — |
| Wing On Co. (S'hai) 7% 1936 ( 10 ) " | .. | .. | 75 | 94½ | 27-1-37 | $5,000,000 | 1/4-1/10 | — | — | — |

**TO-DAY'S EXCHANGES:**
Hongkong & Shanghai Bank's Selling Rates (T/T) Opening Dec. 16th, 1938 (10 A.M.)
London £1 at Exch. 8d = Sh. $30 New York G. $100 at Exch. 15⅝ = Sh. $640 Hongkong $100 @ Exch. 53½ = Sh. $187.79

## Chinese Government External Bonds

| | | London Nominal Prices Dec. 8th | Dec. 15th |
|---|---|---|---|
| Chin. Govt. 5 per cent | Reorg. Gold Loan 1913, British Issue | £ 53 10 0 | £ 54 10 0 |
| " " 4½ " | Gold Loan 1908 (Anglo-French) | £ 68 0 0 | £ 66 0 0 |
| " " 5 " | Gold Loan 1912 (Crisp Loan) | £ 38 10 0 | £ 37 10 0 |
| " " 5 " | Gold $ Bonds 1925, stamped (Per G. $500) | £ 72 0 0 | £ 73 0 0 |
| " " 5 " | Shanghai-Nanking Railway Bonds | £ 24 10 0 | £ 24 0 0 |
| " " 5 " | Hukuang Railway Bonds (L.P.N.Y. Issues) | £ 25 10 0 | £ 25 0 0 |
| " " 5 " | Tientsin-Pukow Railway Bonds 1908 | £ 18 10 0 | £ 18 10 0 |
| " " 5 " | " " 1910 | £ 18 0 0 | £ 18 0 0 |
| " " 5 " | Honan Railway Bonds 1905 | £ 26 0 0 | £ 26 0 0 |
| " " 5 " | Lung Tsing U. Hai Railway Bonds | £ 14 0 0 | £ 13 10 0 |
| " " 8 " | Sterling Treasury Notes (Vickers) | £ 13 10 0 | £ 13 10 0 |

## Company Notices

**The Shanghai Municipal Council**—The Debenture Transfer Books will be closed from December 16th to 31st, both days inclusive.

**The Ewo Cotton Mills, Ltd.**—The General Managers of Ewo Cotton Mills, with the approval of the Consulting Committee have decided to issue 150,000 new shares of a par value of Tls. 5 at an issue price of $14.00 per share. These new shares will be offered to shareholders on the register on December 30, 1938 in the proportion of one new share to eight existing shares. The latest date for acceptance of the new shares by shareholders resident in the Far East will be January 25, 1939 and to enable shareholders resident elsewhere to participate in the issue the date will be extended for their benefit to March 2, 1939. The Transfer Books will be closed from December 22nd to 30th, both days inclusive.

**The Ayer Tawah Rubber Plantations Co., Ltd.**—The 29th Annual General Meeting of Shareholders will be held at No. 61 Yuen-ming-yuen Road, Shanghai, on Wednesday, December 28th at 11.30 a.m. when a final dividend of $0.15 per share will be recommended to shareholders. The Transfer Books will be closed from December 21st to 28th, both days inclusive.

**The Kelly & Walsh, Ltd.**—An Interim Dividend of $0.50 per share has been declared for the year ending February 28, 1939 and will be paid to shareholders on December 28, 1938. The Transfer Books will be closed from December 21st to 28th, both days inclusive.

**G. E. Marden & Co., Ltd.**—The Debenture Transfer Books will be closed from December 22nd to 31st, both days inclusive.

**Wheelock & Co., Ltd.**—An Interim Dividend has been declared in respect of the year ending March 31st, 1939, of $2.50 per share payable to shareholders on January 16th, 1939. The Transfer Books will be closed from January 9th to 16th, both days inclusive.

**The Shanghai Kedah Plantations, Ltd.**—The 18th Annual General Meeting of Shareholders will be held at No. 20 Canton Road, Shanghai, on Wednesday, December 21st at 11.45 a.m. when a dividend of $0.30 per share will be recommended to shareholders. The Transfer Books will be closed from December 16th to 21st, both days inclusive.

**The Ewo Cotton Mills, Ltd.**—An Interim Dividend has been declared for the year ending December 31, 1938 of $0.75 per share, payable to shareholders on December 30, 1938. The Transfer Books will be closed from December 22nd to 30th, both days inclusive.

**Alma Estates, Ltd.**—The 29th Annual General Meeting of Shareholders will be held at No. 93 Canton Road, Shanghai, on Wednesday, December 21st, at 11.45 a.m. when a dividend of $0.50 per share will be recommended to Shareholders. The Transfer Books will be closed from December 15th to 21st, both days inclusive.

**The Auto Palace Co., Ltd.**—At the Board of Directors' meeting held on December 5th, it was decided to pay a second interim dividend of $1.00 per share payable to shareholders on December 19th. The Transfer Books will be closed from December 10th to 19th, both days inclusive.

## Share Report

**Share Market Report** (Up to Friday noon)—The market throughout the week under review has been active in a few popular general stocks with no less than nine registering new high levels, and a considerable number of shares being done; in the others, however, little interest has been shewn.

**Power "Prefs"** Opening with business at $119 advanced during the week to $123, and with 1,085 shares to their credit closed with buyers at $122 and sellers at $122.75.

**Wheelocks.** In the transaction of nearly 20,000 shares and with an advance of $3.50 and the news of the declaration of an interim dividend of $2.50, this market closed with buyers at $33.75 and sellers at $34.00.

**Metals.** This stock accounted for approximately 30,000 shares at rates between $6.60 and $7.25 closing with buyers at $7.00 and sellers at $7.05.

**Trams "Bearer"** were a steady market between $38 and $38.50 recording 7,050 shares and closing with sellers at $38.24.

**Telephones.** There was small enquiry for Telephones which made an appreciation of $3.00 during the week.

**Loans** eased off slightly, some 18,000 shares being done between $6.35 and $5.95.

**Shanghai Lands.** Opening with business at $9.10, some 30,000 shares were done up to $9.70. This market closed with sellers at $9.45.

**Explorations.** Closing with buyers at $7.90 this stock accounted for 23,500 shares from $8.40 down to $7.90.

**Debentures.** This market remained steady, but with a little less enquiry than the preceding week. The only notable advance in prices was recorded in China Realty 8% of which Tls. 106,600 were done at rates from 52 to 63. Power 5½% accounted for 1½ lakhs at 82 to 82½ with a predominance of buyers over sellers at the close. F.M.C. 6% continued to be popular at 95 registering some $80,000.

## Rubber Reviews, Chinese Government Bonds, etc.

**Rubber Review:**—Interest in local rubber shares continues to remain small. Rates are steady but the market is marking time waiting for a lead from the primary markets. The following transactions may be noted:—

| | | | | | |
|---|---|---|---|---|---|
| 15,000 | Tebongs | 0.88/0.86 | 8,160 | Batu Amans | 1.08/1.06 |
| 10,000 | Kelantans | 0.38/0.36 | 7,000 | Kroewoeks | 1.19/1.16 |

In the raw rubber market London registered an advance of 1/16d. and New York 16 points.

The following information has been courteously supplied by Reuters:—London and Liverpool Stock of Rubber on December 10th totalled 88,086 tons showing a decrease of 1,631 tons during the week. Deliveries during the week totalled 2,236 tons compared with 1,386 tons for the previous week.

The following are the usual comparative weekly prices:—

| | London Spot | London Feb. | Singapore Spot | Singapore Jan./Mar. | New York Dec. | New York Jan. | New York Mar. |
|---|---|---|---|---|---|---|---|
| December 9th | 7.15/16d. | 8d. | 27¼ | 28 | 16.05 | 15.98 | 15.95 |
| December 16th | 8d. | 8.1/16d. | 27⅞ | 28¼ | 16.21 | 16.09 | 16.07 |
| Market | Quiet steady | | Quiet steady | | | | |

**Volume of Trade:**—

| *Week ending* | *9th Dec.* | *16th Dec.* |
|---|---|---|
| General | 3,776,700 | 2,914,400 |
| Rubber | 77,800 | 55,500 |
| Debentures | 319,800 | 219,200 |
| Total | 4,174,300 | 3,219,100 |

**Chinese Government External Bonds and Railway Loans:**—There was a distinct lack of interest in this market and no change to report.

**The Information above given, though not guaranteed, has been obtained from sources believed to be reliable.**

**Agents and Secretaries of Companies are requested kindly to notify The Secretary of the Shanghai Stock Exchange, 16 Central Road, of any errors or omissions.**

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# COMMERCE AND FINANCE

## Money and Exchange

**Hongkong & Shanghai Bank**

TUESDAY, DECEMBER 20, 1938

BANK'S SELLING RATES 10 A.M.

£1 @ 8 1/16 .....$ 28.87
U.S. $100 @ 16 7/16 .....$617.76

BANK'S BUYING RATES 10 A.M.

£1 @ 8 1/32 .....$28.550
U.S. $100 @ 16⅜ .....$610.68
London—demand ..... 8 13/16
4 months' sight credits ..... 8 7/16
4 months' sight docts ..... 8 1/2
6 months' sight credits ..... 8 15/32
6 months' sight docts ..... 8 13/32
New York—demand .....U.S. $16⅜
4 months' sight credits .....16 7/16
4 months' sight docts .....16 9/16
Paris—4 months' sight docts Fcs. nom.

INTERBANK CLOSING SELLING RATES

Sterling ..... 8 31/32 U.S. .....$16¼
Hongkong/London .....1/3

**Chartered Bank**

Canadian $100 @ 16 3/16 .....$617.76
Hongkong $55⅜ .....$100.00

**Netherlands Trading Society**

Netherlands Guilders .....Buying 30⅛
Java Guilders ..... " 30⅛
Netherlands Guilders .....Selling 29½
Java Guilders ..... " 29½

**American Express Co., Inc.**

Buying U.S.$100=$610.687 £1=$28.657
Selling U.S.$100=$617.761 £1=$28.875

**Banque Belge Pour L'Etranger**

Belgas 0.95½=$1 Belgas 27.62=£1

**Italian Bank for China**

It. Lire 2.96=$1 Swiss Frs. 0.71½=$1
Tourist Lire 3.27 .....$1

**Other Quotations**

Berlin/Hamburg T.T. $100=Rm. 39¾
$100=Reg. Mk. 72.00
incl. License fee

## Local Exchange Report

*Messrs. Drakeford, Davis & Wilson*

INTERBANK CASH DELIVERY

| £ | Highest | 8 3/8 | Lowest | 8 31/32 |
|---|---|---|---|---|
| U.S. G.$ | | 16 3/32 | | 16 5/32 |
| Yen | | — | | — |

MERCHANT'S CLOSING RATES

| | SELLING | | BUYING | |
|---|---|---|---|---|
| Cash | | December | | |
| £ T.T. | 8 5/16 | 4 m/s. l.c. | 8 1/32 | |
| G.$ T.T. | 16 3/16 | 4 m/s. l.c. | 16⅜ | |
| Fcs. T.T. | 615 | 4 m/s. | 630 | |
| Rs. T.T. | 46⅜ | 7 d/s. | 47 | |

BAR SILVER

| | READY | FOR'D |
|---|---|---|
| London pence per std. oz. | 20⅛ | 19 9/16 |
| N.Y. cents per oz. troy | 42¾ | — |
| Bombay Rs. per 100 tolas | 51.01 | — |

Bombay offtake 25 bars.

London silver was ⅛ up for ready and 7/16 up forward, being 20⅛ for ready and 19 7/16 forward. New York was unchanged at 42¾ and Bombay was 1 anna up at 51.01.

It was reported speculators bought. Offerings were small. Market steady. After the official fixing the market rules quietly steady for cash and rather dull for forward. There were sellers at the fixed rate.

The local exchange market opened with sellers to merchants at 8 5/16 sterling and 16 3/16 U.S.$.

The Interbank market was quiet in the morning opening with sellers at 8 5/16 sterling and 16 3/16 U.S.$ for cash and December, closing at noon with rather better sellers and buyers inclined to be satisfied. In the afternoon there was a brief firmness, business being done as high as 8 23/32 sterling and 16 9/32 U.S.$, but there was a sharp reaction and the market closed with best sellers at:

| | | | |
|---|---|---|---|
| 8 31/32 sterling | 16 7/32 U.S.$ | Cash/Dec. |
| 8 13/32 " | 16 5/32 " | Jan. |
| 8¼ " | 16 1/32 " | Feb. |

## Manila Gold Shares

(Bids in Pesos)

| Dec. 20 | Opening | Prices |
|---|---|---|
| | 9.45 a.m. | 2.45 p.m. |
| Antamok | .49 | .49 |
| Balatoc | 9.30 | 9.30 |
| Benguet Consolidated | 12.50 | 12.50 |
| Coco Grove | .49 | .50 |
| Consolidated Mines | .003 | .003 |
| Demonstration | .27 | .27 |
| Masbate | .19 | .18 |
| North Camarines | .62 | .63 |
| San Mauricio | 1.74 | 1.72 |
| Surigao Consolidated | .35 | .35 |
| United Paracale | .57 | .57 |

Turnover: 483,000 Pesos.

Shares Index: (closing prices) 105.34.

| | | |
|---|---|---|
| Atok | .25* | .25 |
| Batong Buhay | .023 | .022 |
| Ixi | .62 | .63 |
| Mine Operations | .14 | .14 |
| Suyoc | .20 | .20 |

*—Ex. Dividend.—Reuter.

## U.S. Steel Mill Operations

New York, Dec. 12.

Steel mill activity in the United States for the week commencing December 12 was placed at 57.6 per cent. of capacity, according to the weekly report of the American Iron and Steel Institute, which was issued today.

This compares with 59.9 per cent. of capacity last week and 27.4 per cent. of capacity for the corresponding period of last year, showing a decrease of 2.3 per cent. of capacity and an increase of 30.2 per cent. of capacity respectively, compared with the figure for the week under review. —Reuter.

## London Stocks

**Monday's Closing Quotations**

| | Dec. 19 | 20 |
|---|---|---|
| War Loan 3½% (Red.) | £98 1/16 | 97 13/16 |
| **JAPANESE BONDS** | | |
| Japan 5% Stg. Loan, 1907 | 45¾ | 45¼ |
| Japan 6% Stg. Loan, 1924 | 55 | 54¾ |
| | Osaka, Dec. 20. | |
| Kogo 5% | | Y.103.68 |
| **COMMERCIAL AND INDUSTRIAL** | | |
| Allied Ironfounders | 19/1½ | 19/1½ |
| Armstrong Stevens | 8/3 | 8/3 |
| Assoc. & Elec. | 38/9 | 38/9 |
| Austin Motors, ord. | 25/- | 24/6 |
| Bristol Aeroplane, ord. | 22/3 | 22/3 |
| British American Tob. | 98/1½ | *96/10 |
| Cable & W., new form | 36¼ | 36 |
| Cammell Laird, ord. | 7/4½ | 7/3 |
| Courtaulds | 28/4½ | 28/4½ |
| Distillers | 90/3 | 90/6 |
| Dunlop Rubber | 23/- | 23/- |
| General Elec. (Eng.) | 76/9 | 76/9 |
| Gulness (A) Son & Co. | 104/6 | 104/9 |
| Hawker Siddeley Aircraft | 24/- | 24/- |
| Imp. Chem. Indus. | 30/1½ | 30/- |
| Imp. Tobacco | 129/4½ | 130/- |
| Leyland Motors | 89/4½ | 90/- |
| Marks & Spencer "A" ord. | 55/0 | 55/6 |
| Pressed Steel, com. | 14/- | 14/- |
| Rolls-Royce | 110/- | *109/- |
| Smethwick Drop Forgings | 16/6 | 16/6 |
| Tate & Lyle | 54/6 | 54/3 |
| Turner & Newall | 71/10½ | *75/7 |
| United Steel | 22/6 | 22/6 |
| Vickers, ord. | 21/9 | 22/- |
| Woolworths | 57/9 | 57/9 |
| **MISCELLANEOUS** | | |
| Anglo-Dutch | 25/3 | 25/3 |
| Rubber Ptn. Trust | 27/3 | 27/3 |
| **MINES** | | |
| Burma Corp. | 8/7½ | 8/7½ |
| Commonwealth Min. | 1/6 | 1/6 |
| Marsman Invests. | 15/6 | 15/9 |
| Randfontein Ests. | 41/6 | *39/10 |
| Sub-Nigel | 236/3 | *228/9 |
| Tanami Gold Min. | 6d. | 6d. |
| Western Holdings | 12/6 | 13/- |
| **OILS** | | |
| Anglo Iranian | 88/9 | 89/4½ |
| Burmah | 83/1½ | 83/9 |
| Mexican Eagle | 5/- | 5/3 |
| Shell Trans. & Trad. | 81/3 | 82/6 |

*—Ex dividend.

**CHINESE EXTERNAL LOANS, ETC.**

| | | |
|---|---|---|
| 4½% Gold Loan, 1896 | £75½ | 76 |
| 5% Gold Bonds, 1925-47 | 73½ | 74 |
| 4½% Anglo-French Loan, 66 | | 60 |
| 5% Crisp Loan, 1912 | 37¼ | 37 |
| 5% Reorg. Loan, 1913 | 55 | 55 |
| 8% Stg. Notes, 1925 | 13½ | 13½ |
| 5% Honan Rly., 1905 | 26 | 26 |
| 5% Hukuang Rly., 1911 | 25 | 25 |
| 5% " " (Ger. Is.) | 23 | 23 |
| 5% Lung Tsing U. H. Rly. | 13½ | 13¼ |
| 5% S'hai-Nanking Rly. | 24 | 24 |
| 5% T'tsin-Pukow Rly. B. | 18½ | 18½ |
| 5% " " G. | 18 | 18 |
| 5% " " (Supl. Loan) B. | 18 | 18 |
| 5% " " (Supl. Loan) G. | 18 | 18 |
| 5% Canton-Kowloon Rly. | 18 | 18 |
| S'hai Elec. Construction | 25/- N | 25/- N |
| S'hai Waterworks "A" | 19½ N | 19½ N |
| Un. Ins. Soc. of Canton | 30½ | 30½ |
| Chartd. Bank of I. A. & C. | 9⅛ | 9⅛ |
| H. & S. Bank (Ldn. Reg.) | 79 | 79½ |
| " " (Col. Reg.) | 81 | 82 |
| Chinese Eng. & Min. | 18/- | 17½XD |
| Chosen Corp. | 7/6 | 7/6 |
| Pekin Syndicate | 2/- N | 2/- N |
| Gula Kalumpong Rubber | 20/7½ | 21/3 |

XD—Ex dividend. N—Nominal.

## Nanking Considers New Banking Corporation

Shanghai, Dec. 17.

Establishment of a government bank, similar in nature to the Federal Reserve Bank of the "Provisional Government" of Peiping, was being contemplated by the new Nanking régime, Mr. Liang Hung-chih, President of the Executive Council of the "Reformed Government," declared in a press interview during his recent visit to Soochow, according to a Chinese report yesterday.

The new bank would be opened as soon as the necessary arrangements had been completed, Mr. Liang was reported to have said. Whether or not this new bank would be authorized to issue notes in the manner of the Federal Reserve Bank was yet undecided, Mr. Liang was quoted as having stated.

## I. T. & T. Earnings

A telegram has been received from New York by Shanghai Telephone Company as follows:—

"Gross earnings and consolidated net income for the nine months ended September 30, 1938, amounted to $49,559,953 and $6,155,819 respectively as compared with $46,271,243 and $7,044,070 respectively for the corresponding period of 1937. The decrease in net income is mainly due to increase in taxes, net foreign exchange loss and temporary increase in interest charges."

## French Budget Gets Past First Hurdle

Paris, Dec. 13.

The Finance Committee of the Chamber of Deputies early this morning adopted the Budget for 1939, in which revenue exceeds expenditure by Frs. 24,000,000. The voting was 25 for and seventeen against its adoption.—Reuter.

## New York Stocks

**Monday's Closing Quotations**

| | Dec. 17 | 19 |
|---|---|---|
| Adams Express | 10⅞ | 10½ |
| Alleghany Ludlum Steel | 26⅛ | 25¾ |
| Allis Chalmers | 46½ | 46⅛ |
| Amerada Corp. | B 68⅛ | 68⅜ |
| Amer. Can | 97⅜ | 98¼ |
| Amer. & For. Power | 3⅛ | 3⅛ |
| " " $7 pfd. | 17¼ | 17 |
| Amer. Locomotive | 27¾ | 27¼ |
| Amer. Metal | 38 | 39 |
| Amer. Radiator | 17½ | 17 |
| Amer. Rolling Mill | 21 | 20⅞ |
| Amer. Smelting | 50⅜ | 49⅜ |
| Amer. Sugar Refining | 20⅛ | 20⅛ |
| Amer. Tel. & Tel. | 147¾ | 147¼ |
| Amer. Tobacco "B" | 85⅞ | 85½ |
| Amer. Waterworks | 13⅜ | 13 |
| Anaconda Copper | 34¾ | 34 |
| Atchison, T. & S. Fe | 37¾ | 36½ |
| Auburn | B 33¼ | 33¼ |
| Baltimore & Ohio | 6⅝ | 6⅝ |
| Barber Asphalt Corp. | 20½ | 20⅛ |
| Barnsdall Oil Co. | 17¾ | 18 |
| Bethlehem Steel | 75 | 74⅛ |
| Boeing Airplane Co. | 32⅞ | 33 |
| Borg Warner | 31¾ | 31⅝ |
| Briggs Mfg. Co. | 29⅞ | 29¾ |
| Brooklyn-Manhattan Trans. | 12¼ | 12 |
| " $6 cum. pfd. | 40¼ | 38 |
| Can. Pacific Rly. | 5½ | 5⅝ |
| Case, J.I. | B 88½ | 88⅞ |
| Chase Nat. Bank | B 29½ | B 29½ |
| Chesapeake & Ohio | 35½ | 35 |
| Chrysler | 81¾ | 81½ |
| Columbia Gas & Elec. | 6⅝ | 6½ |
| " " "A" pfd. | 70¼ | 70 |
| Coml. Credit | 58 | 57½ |
| Comm. & Southern (ord.) | 1⅜ | 1½ |
| " $6 cum. pfd. | 46½ | 46 |
| Consolid. Edison | 29⅞ | 29⅞ |
| Consolid. Oil | 8⅝ | 8⅝ |
| Continental Can | 39½ | 39⅜ |
| Continental Oil | 30¾ | 30¼ |
| Corn Products | 63¾ | 63½ |
| Curtiss Wright (com.) | 6¾ | 6⅝ |
| " " "A" | 26½ | 26½ |
| Distillers Corp. Seagrams | 19¾ | 19¼ |
| Douglas Aircraft | 77¾ | 79 |
| Du Pont de Nemours | 149⅞ | 147¾ |
| Eagle Picher Lead | 12⅝ | 12¾ |
| Elec. Bond & Sh. | 10⅜ | 10⅛ |
| " " $5 pfd. | 62 | B60 |
| " " $6 pfd. | 66 | 66½ |
| Elec. Power & Lt. | 36¾ | 37 |
| Flintkote | 27⅞ | 28 |
| Gen. Amer. Trans. Corp. | 56½ | 56 |
| Gen. Elec. | 43 | 42⅞ |
| Gen. Motors | 49⅝ | 48⅞ |
| Gen. Rly. Signal | 23½ | 23¼ |
| Glidden Co. | 24 | 24 |
| Goodrich (B.F.) | 24½ | 24 |
| " $5 pfd. | 64¾ | 64 |
| Goodyear Tire & Rubber | 36⅜ | 36 |
| Great Nthrn. Iron Ore | 13⅞ | 13¾ |
| Great Nthrn. Rly. | 26¼ | 26½ |
| Great Western Sugar | 24⅝ | 24¼ |
| Greyhound Corp. | 20¼ | 20½ |
| Hecker Products | 10⅜ | 10⅜ |
| Homestake Min. | 62¼ | *62⅛ |
| Int. Nickel | 53¾ | 53⅞ |
| Int. Tel. & Tel. | 9⅝ | 9½ |
| Johns Manville | 103 | 104 |
| Kennecott | 43⅛ | 42½ |
| Libby-Owens-Ford Glass | 53¼ | 53 |
| Lockheed Aircraft | 32¼ | 33½ |
| Loew's Inc. | 51⅛ | 51½ |
| Manhattan Shirt Co. | B 12½ | 12½ |
| Martin, Glenn L. Co. | 34⅛ | 34¼ |
| McKeasson & Rob. | 7/7½ | 7½/7⅝ |
| | B/A | B/A |
| Monsanto Chemical | 106½ | 106¼ |
| Montgomery Ward | 51½ | 51⅜ |
| Nat. City Bank | B 22 | B 22 |
| Nat. Dairy Products | 12½ | 12½ |
| Nat. Distillers | 27 | 26¾ |
| Nat. Gypsum | 15½ | 15¼ |
| Nat. Lead | 25¾ | 26¼ |
| Nat. Power & Lt. | 7⅜ | 7⅛ |
| Nat. Supply Co. | 14 | 14¼ |
| New York Central | 18⅝ | 18⅜ |
| North Amer. Aviation | 17½ | 17⅝ |
| North Amer. | 21¾ | 21⅝ |
| Northern Pacific | 11⅛ | 10⅞ |
| Pacific Gas & Elec. | 29 | 28⅝ |
| Pacific Lighting | Unq. | 42½ |
| Packard Motors | 4¼ | 4¼ |
| Paramount Pictures Inc. | 12½ | 12⅛ |
| Pennsylvania R.R. | 21 | 20½ |
| Phelps Dodge | 43⅛ | 42½ |
| Phillips Petroleum | 41⅞ | 41⅞ |
| Public Serv. of N.J. | 30¾ | 30½ |
| Pure Oil | 10¼ | 10⅜ |
| Radio Corp. of Amer. | 7¾ | 7½ |
| Republic Steel Co. | 23⅝ | 23 |
| Reynolds Tobacco "B" | 43½ | 43⅜ |
| Schenley | 17⅜ | 16 |
| " 5½% pfd. | 71 | 68½ |
| Sears Roebuck | 74¼ | 74½ |
| Shell Union Oil | 14¼ | 14⅝ |
| Socony-Vacuum | 13⅛ | 13 |
| Sthrn. Pacific | 18 | 18⅛ |
| Sthrn. Rly. $5 pfd. | 30 | 30 |
| Stand. Brands | 6⅜ | 6¼ |
| Stand. Gas & Elec. | 3½ | 3⅜ |
| Stand. Oil of N.J. | 51½ | 51 |
| Stone & Webster | 14⅞ | 14⅝ |
| Swift International | Unq. | 27¼ |
| Technicolor | 20¼ | 20 |
| Texas Corp. | 44¼ | 45 |
| Texas Gulf Sulphur | 31½ | 32 |
| Transamerica (new) | 6½ | 6¼ |
| Tw. Century Fox | 25⅛ | 24½ |
| " " pfd. | 34 | 34 |
| Un. Carbide & Carbon | 87⅝ | 88½ |
| Un. Pacific | 90¼ | 89¾ |
| Un. Aircraft (new) | 41¼ | 41⅝ |
| Un. Air Lines Trans. | 12⅛ | 12¼ |
| Un. Corp. | 3 | 2⅞ |
| " $3 pfd. | 34⅜ | 33¼ |
| Un. Gas Corp | 21⅛ | 27½ |
| Un. Gas Improvement | 10⅝ | 10½ |
| U. S. Rubber | 51⅛ | 50½ |
| " 8% pfd. | 98⅜ | 99 |
| U. S. Steel | 64¾ | 65⅛ |
| Vanadium | 27¼ | 27 |
| Warner Bros. Picts. | 5⅝ | 5⅛ |
| Westinghouse Elec. | 118⅞ | 118¼ |
| Woodward Iron | Unq. | 25¾ |
| **BONDS** | | |
| Amer. & For. Power | 52 | 51½ |
| Brazill | 10½ | 10⅛ |
| Baltimore & Ohio R.R. | 18⅛ | 18¼ |
| Cities Ser. | 73¼ | 73½ |
| Erie R.R. 5s | 11¾ | 11¾ |
| Int. Tel. & Tel. Conv. | Unq. | 100 |
| Int. Tel. & Tel. 5s | 69⅜ | 70 |
| New England Gas & Elec. | 56 | 55¾ |
| Peru | 10½ | 10½ |
| Sthrn. Pacific R.R. | 50½ | 50½ |
| Stand. Gas & Elec. | 59 | 59 |

A—Asked B—Bid.—Reuter.

A NEW shipment of 1939 Dodge trucks have arrived in Shanghai, according to the announcement made by Messrs. China Motors. These sturdy vehicles were built in the recently completed mammoth Dodge truck factory, situated in Detroit and are the first product from that plant to be displayed in the Orient. This great structure has a normal manufacturing capacity of 700 units daily, each of which has been processed with several of the latest methods, which add miles upon miles to the livelihood of the trucks.

# COMPANY MEETINGS

## Metropolitan Land Co.

Shanghai, Dec. 13.

The ninth annual general meeting of shareholders of the Metropolitan Land Co., Ltd., was held yesterday morning at No. 17 The Bund. Mr. F. R. Smith presided over a gathering representing 83,604 shares. Supporting the chairman were Sir Robert Calder-Marshall, K.B.E., Messrs. O. Okamoto, M. Reader-Harris, C. V Starr, Yuson Yeo (Directors) and G. T. Read (Secretary).

The Chairman said: Comparing the Profit & Loss items with those of the previous financial year, our "General Expenses" were reduced by $4,757.45. "Salaries and Wages" were increased by $1,077.21, the difference being due to the exchange rate at which Hongkong dollar expenses were converted into Chinese national currency. The items under these two headings cover the running expenses of our offices in Shanghai and Hongkong, catering for the requirements of our own properties and many other properties managed on behalf of clients. "Interest Paid" shows an increase of $13,938.10, due to Hongkong exchange. "Expenses on Company's Properties" were reduced by $3,640.87, our Eastern District and Northern District properties receiving very little attention during the period. Now that we have access to the areas concerned and the Japanese armed forces having evacuated our premises, we are completely rehabilitating all of these properties. The other items in the Profit and Loss Statement, comprising "Depreciation on Company's Furniture, Motor Car, Fixtures, etc." and the "Annual Charge to Building Depreciation Reserve," merely indicate our usual practice of writing down perishable assets and allocating adequate funds to maintain our buildings in first-class condition.

The new item in our accounts under the heading of "War Damage to Company Properties" is made up of $20,000 for the estimated replacement cost of buildings damaged by fire in January, 1938, $4,425.11 for the estimated cost of repairing and renovating the rest of our "War area" properties, and $19,029.97 for writing-off our Macleod Road improvements. There is a possibility that some of these amounts may be recovered, but your Directors consider it preferable to write them off in full.

Earnings from "Commissions and Fees" amounted to $32,135.95, being $4,430.00 less than last year. "Rent and Interest Earned" amounted to $317,487.20, a small increase despite the lack of earnings from properties in the Eastern and Northern Districts since August 1937.

**Hongkong Figures**

Turning to the Balance Sheet, the increase of both liabilities and assets is due to the exchange rate on Hongkong. On the liabilities side, a further sum of $28,865.16, assessed according to the formula of our Auditors, has been added to "Building Depreciation Reserve." The Company's borrowings against properties were made almost entirely in Hongkong, thus the figure for "Loans secured on Company's Properties" automatically increases on account of exchange this year. On the assets side, the value of Shanghai properties increased by $58,509.21, due to our taking over an income-producing property which was previously mortgaged to us. This property has since been sold at a profit. "Furniture, Fittings Equipment and Motor Car" have all been written down. "Mortgage Loans" and "Mortgages Discounted" have actually been reduced, but again Hongkong figures, entered into our books at the prevailing exchange rate, practically doubled those for last year. Since the end of the financial year, both of these items have been greatly reduced through our having taken over a very desirable fully-developed property, and one of our Mortgagors having repaid his loan. "Loan against Securities" was reduced during the year by $15,500.00. The reserves against "Accrued Interest Receivable", "Outstanding Rents Receivable", and "Sundry Persons" are quite adequate. "Cash in Bank and on Hand" discloses a liquid position, enabling us to meet any and all emergencies.

**Developed Properties**

I shall now give you a brief outline of the position in regard to our developed properties:—Capable management, plus the excellent food served in "Medhurst" continue to fill the building to capacity, fully justifying the investment made in this enterprise. Our shops, however, are not showing the return previously received and we shall have to await some improvement in business generally before we can expect a return of normal income from this source.

Rent collections in the International Settlement, the Western District and the French Concession were higher than for several years past, our properties in these areas continuing to give a satisfactory return. The increased cost of maintenance has necessitated our passing on some of the burden to our tenants who have expressed their appreciation of the Company's fairness in this respect.

Our developed properties in Hongkong are all filled at higher rentals than obtainable previously. We sold some of our vacant land at a loss of Hk.$670.91, which is shown in the accounts as C.N.$1,182.22. Plans for the further development of our holdings in Hongkong have been postponed indefinitely, pending the clarification of the present situation in South China.

This is the first occasion in the history of the Company that your Directors and General Managers have placed before you a Profit & Loss Account showing a loss on the year's operations. The amounts written off against direct and indirect effects of Sino-Japanese hostilities account for most of the total deficit. The Company ran at an actual operating loss for only the first four months of the past financial year. You will be pleased to hear that our earnings continue to improve each month.

The amount brought forward from last year $113,892.41, less this year's loss of $56,257.29, leaves a total of $57,635.12. Your Directors and General Managers recommend that this sum be carried forward.

Sir Robert Calder-Marshall and Mr. O. Okamoto retire by rotation from the Board of Directors and being eligible offer themselves for re-election.

Messrs. Thomson & Company retire as the Company's Auditors and offer themselves for re-election.

**The Resolutions**

There being no questions, the following resolutions were put to the meeting and carried unanimously:—

Proposed by Mr. F. R. Smith and seconded by Sir Robert Calder-Marshall: —That the Directors' Report and Audited Statement of Accounts as presented for the year ended September 30, 1938, be and they are hereby received, approved and adopted.

Proposed by Mr. F. R. Smith and seconded by Mr. C. V. Starr:—That the balance at credit of the Profit & Loss Account as presented, $57,635.12, be carried forward to the following year.

Proposed by Mr. W. A. Hale and seconded by Mr. M. Freeman:—That Sir Robert Calder-Marshall and Mr. O. Okamoto, the retiring Directors, be re-elected Directors of the Company.

Proposed by Mr. Yuson Yeo and seconded by Mr. O. Okamoto:—That Messrs. Thomson & Company be and they are hereby re-elected Auditors of the Company at a remuneration to be arranged by the General Managers.

## Samagaga Rubber Co.

Shanghai, Dec. 15.

Several questions dealing with the amalgation of three rubber companies were brought forward by Mr. L. Soyka at the annual general meeting of the Samagaga Rubber Co., Ltd., held at the offices of the secretaries and general managers, J. A. Wattie & Co., Ltd., yesterday. Mr. A. J. Welch (chairman) presided and he was supported by Messrs. L. E. Canning and C. F. Shackleton (directors and W. A. Welch (representing the secretaries and general managers). Total shares represented at the meeting were 523,200.

In his speech the Chairman said: The accounts now before you disclose a profit of Ch.$32,706.49 as compared with Ch.$93,957.40 last year. This reduction of profit was due to the output being less by 17,600 lbs. and to the average net selling price being 6.04d. per pound as against 9.01d. last year. Here I must call your attention to a typographical error in the output figure shown on page 1 of the directors' Report. The figure 294,399 should have been 323,500 lbs. which is correctly shown in the working account. During the year 16,090 lbs. of scrap rubber were sold uncouponed, the coupons being utilised against a similar quantity No. 1 quality rubber. The revenue expenditure is down by St.$7,858.89, of this reduction St.$3,328.19 was on account of the upkeep of the gardens and is due to the fact that practically the whole estate is now clean and under a fine leguminous cover crop and weeding costs should show a further decrease next year. The riverside fields are clean weeded as it has proved impossible to get a cover crop established on this very swampy land. The revenue expenditure including Shanghai expenses works out at 5.13 pence per pound as against 5.18 pence last year. The Shanghai expenses work out at 0.18 of a penny per pound.

**Expenditure**

Turning to the balance sheet, the expenditure on capital account was Ch.$21,716.63. Of this Ch.$6,878.96 were spent on the purchase of approximately 15 acres of mature rubber which jutted into the estate and Ch.$2,577.94 on the cleaning up of

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

this area and also clearing 56 acres of the area under coconuts preparatory to planting it up with rubber in 1939. Ch.$6,295.26 were spent on buildings mainly on a new house for the subordinate staff and a new septic tank in the coolie lines. The only other large capital expense was Ch.$5,343.35 which was spent on a new water gate for flood control and a 1,000 yard pipe line from the factory to the manager's bungalow.

As regards estate matters. The planted area has been increased as stated above by the purchase of approximately 15 acres of mature rubber. This has had the result of increasing the standard production by 13,175 lbs. to 475,920 lbs. The 1939 assessment has not yet been received. The average area in tapping throughout the year was 680 acres which yielded at the rate of 433 lbs. per acre per annum. The quality of the tapping is reported to be satisfactory and there is a marked improvement in the nature of the bark and the condition of the trees in all fields and ample bark reserves are now available.

The supply of labour was ample throughout the year and the health of the force was satisfactory except for the usual prevalence of malaria in this district. Wages were 50 cents per day for men and 40 cents for women from October 1937 to March 1938 and they were then reduced to 40 cents and 32 cents respectively till August when they were again raised to 45 cents for men and 35 cents for women.

**Financial Position**

There was no trouble from either pests or diseases but there still remains a certain amount of tree sanitation work to be done such as pruning broken branches, etc.

The factory and machinery continued to work satisfactorily in spite of their age but the time is very close when replacement will be necessary.

The buildings were given the necessary upkeep but during the current year it will be desirable, if possible, to construct another subordinate staff bungalow and a 20 room coolie line which are estimated to cost St.$10,250. Also another new water gate is needed which will cost St.$1,500.

The financial position of the company is fairly good. The surplus of liquid assets on September 30, 1938 being Ch.$92,877 and if you pass the recommendations now before you the company will start the new year with a surplus of liquid assets of Ch.$72,455 which is not too much when one takes into account the building programme outlined above and in addition the fact that it will be necessary to spend some St.$4,600 on the planting and upkeeping of the 56 acres of coconut land cleared this year. Also as stated before the factory and smoke house will need replacement in the near future.

**Improvement**

Speaking generally the estate continues to show great improvement as a result of the energetic steps taken during the past few years to eradicate lallang, establish cover crops and improve the drainage. In conclusion, gentlemen, I would like to express our best thank to the manager, Mr. Lockyear, and his subordinate staff, to the visiting agent and to the agents in Penang for the care and attention they have devoted to the affairs of the estate which are reflected in the present satisfactory condition of your property.

**Questions**

Mr. Soyka—Mr. Chairman on this occasion I do not propose to put a lot of questions to you, but there is one matter of major importance which I must bring up and that is amalgamations. On May 13 last I addressed a letter to the directors of companies controlled by Messrs. J. A. Wattie & Co., Ltd., and received a reply on the 25th of that month which contained the following statements: "The directors still have in mind the benefits that would accrue from amalgamation, but for several reasons the present is not an opportune time at which to launch any proposals of this nature." More than six months have elapsed but despite efforts upon my part to elicit the nature of these reasons, I have been unable to obtain any particulars from you. I now ask you to explain and give reasons, if any, why the question of amalgamations should be further delayed.

The Chairman—As far as amalgamation goes the time is not yet suitable as many Chinese shareholders have gone without leaving any addresses.

Mr. Soyka—There are sufficient shares here.

The Chairman—Who are you going to amalgamate with?

Mr. Soyka—The Samagaga, Alma and Chemor. They are all geographically near.

The Chairman—No they are a long way away.

Mr. Soyka.—I request you to go into the matter thoroughly.

The Chairman—I promise you that the matter shall receive our attention.

Mr. Soyka—There is another question which I want to ask you. As a director you have received a copy of Mr. Horace Kadoorie's letter to me of August 2 last which concerns the matter of the Penang Agency fees. Will you, therefore, be frank and give me details of the fees per acre charged to this company? At the suggestion of Mr. Kadoorie, I have already communicated to you in strict confidence the name of the agency house in Malaya which I have referred to at previous meetings and I am sure you will agree that this firm is of the very highest standing.

The Chairman—The business is entirely out of order. You have not given notice of this question.

Mr. Soyka—I'm not satisfied with the management of Kennedy and Burkill of which you are the biggest shareholder. The Samagaga estate was mismanaged and after eight years you found this out and dismissed the manager.

The Chairman—At the time we were not the secretaries and general managers.

Mr. Soyka—I ask that we amalgamate and that we have our own agency for the rubber company's benefit.

**Resolutions**

That the Directors' Report and Statement of Accounts for the year ended September 30, 1938 be adopted and passed. Proposed by Mr. A. J. Welch, and seconded by Mr. L. E. Canning.

That a dividend of two Shanghai dollar cents per share be paid. Proposed by Mr. A. J. Welch, and seconded by Mr. L. E. Canning.

That Mr. H. Kadoorie be re-elected a director of the company. Proposed by Mr. W. Lamont, and seconded by Mr. Yang Chia San.

That Messrs. Thomson & Company be re-elected Auditors to the Company for the ensuring year. Proposed by Mr. Wong Sing Fan, and seconded by Mr. D. E. Levy.

# Rubber Trust Ltd.

Shanghai, Dec. 15.

The annual general meeting of the Rubber Trust Ltd. was held yesterday at the offices of the secretaries and general managers, J. A. Wattie & Co. Ltd., Mr. L. E. Canning (Chairman) presiding, supported by Messrs. R. N. Swann and A. J. Welch (directors) and W. A. Welch (representing the secretaries and general managers). Total shares represented were 494,221.

The Chairman, in his speech, said:

The profit for the year amounts to the very satisfactory sum of Ch. $329,-745.96 as compared with a profit for the previous year of Ch. $444,623.57 but as this latter figure included China $60,000 representing part of the profit realized on the sale of shares, the profit for last year, for comparative purposes, should be taken as Ch. $384,623.57.

This profit is made up as follows:—

| | |
|---|---|
| Profit earned by Rubber Estates | $324,713.22 |
| Interest and Dividends received | 24,085.88 |
| Transfer fees and Sundry Receipts | 5,044.21 |
| | $353,843.31 |
| Less: Shanghai Expenses and Bonus to Estate Managers and Staffs | 24,097.35 |
| | $329,745.96 |

You will have noticed from the profit & loss account that Taiping estate appears to have made a loss of St. $1,959.21 but the reason for this is that this estate was out of tapping for several months during the year and transferred part of its export rights to Bukit Sembilan estate. It was accordingly only credited with the market value of the export rights and Bukit Sembilan estate produced the rubber and made the profit. Had Taiping estate produced the physical rubber it would probably have made a profit of some St. $4,000 instead of the before-mentioned loss. You will see from their report the manner in which your directors recommend that this profit shall be dealt with.

**Planting Rights**

The only other item in the profit & loss account that perhaps needs a little explanation is "Sale of New Planting Rights Ch. $3,438.76." This represents the proceeds of the sale of planting rights for 76.1 acres which we were unable to utilize as we had not sufficient unplanted land that was plantable to absorb the full quantity of planting rights that were issued to us.

If you will turn now to the balance sheet you will see that at the end of the financial year the market value of our investments was some Ch.$204,-500—in excess of the book value. The expenditure under the heading of Development Account covers the cost of replanting 4 acres of rubber on Bukit Sembilan estate and the upkeep of the 28 acres of immature rubber on New Amherst estate.

New buildings cost Ch. $18,687.09 of which sum Ch. $3,065—were spent on the erection of a shop building on Bukit Sembilan estate, which is now let for Straits $216 per annum; Ch. $12,373 covered the cost of numerous small buildings on New Amherst estate comprising a new smoke house, a line for the factory coolies, a house for the cattle keepers, two garages for the tractors and the manager's car respectively, a workshop and four shelter sheds for the tappers, the cattle, the bullock carts and for timber.

**New Machinery**

The old factory on Taiping estate was rebuilt at a cost of Ch. $3,249 and the building now consists of a factory, cum smoke house cum packing shed. New machinery cost Ch. $6,050.04 for which sum a new aluminium latex tank was bought for Bukit Sembilan estate, a 3 horse power engine, second hand sheeting battery and 3 old aluminium tanks for Taiping estate and a continuous sheeting battery and two coagulating tanks for New Amherst estate. All these additions have made for greater economy in working and an improvement in the quality of our product. The expenditure of Ch. $2,388 under the heading of wells and water supply represents the cost of completely bringing up todate the water supplies on Bukit Sembilan and New Amherst estates.

As regards the Java Company the sum of guilders 4,530 was spent on replanting 62 acres of rubber and the subsequent upkeep of this area as well as of the 40 acres of immature rubber, guilders 223 were spent on a 4 roomed coolie line and a market shed and a second hand sheeting machine cost Guilders 205. Financially the company is in a satisfactory position since, if you pass the appropriation of profits now recommended, it will start the new financial year with a surplus of liquid assets amounting to Ch. $269,000. I will now turn to planting matters and deal with those of each estate in turn.

I will commence with New Amherst estate which last year was stigmatized as a "derelict" estate. Far from being a derelict, however, this much maligned property earned the very respectable profit of Chinese dollars 106,443, and this in a year of very low prices and severely restricted output, which all goes to show the utter futility of such uninformed and destructive criticism. No alteration in the planted area took place during the period under review, an average area of 1371 acres was tapped throughout the year the rate of yield per acre per annum being 354 lbs. The quality of the tapping is reported to be very good, the little wounding that was noticed being done by new and inexperienced tappers.

**Satisfactory Condition**

The consumption of bark was moral and the rate of bark renewal satisfactory. The new continuous sheeting battery has worked satisfactorily since its installation and has had the effect of reducing the cost of manufacture from .28 to .15 of an anna per pound. The supply of labour was sufficient for all requirements and the health of the labour force was reasonably good throughout the year. Practically the whole estate is now free from grass and under a cover of leguminous plants. Small areas of the younger rubber have been treated with artificial manures with satisfactory results.

Neither pests nor diseases gave any special trouble during the year and such cases as were met with yielded readily to treatment. All buildings were given the necessary upkeep and are reported to be in good serviceable condition. No standard production assessment for 1939 has yet been received but it is hoped that when it is issued it will show a satisfactory increase over the allowance for 1938.

Speaking generally matters on this estate are in a very satisfactory condition. We come next to Bukit Sembilan Estate which, as I told you last year, is our star property. The area under rubber was increased by the planting up of 4 acres near the office, that have hitherto been occupied by squatters, and during the current year a further 21 acres of jungle land will be planted with rubber. The average area in tapping throughout the year was 968 acres which yielded at the rate of 761 pounds per acre per annum. The standard of tapping was excellent and the rates of bark consumption and renewal were satisfactory. In this property we own an estate of outstanding yielding capacity.

**Manufacturing Costs**

The cost of manufacture again showed a reduction from .36 to .31 of a cent per pound. The supply of labour was ample for all requirements and the health of the force was generally satisfactory. The gardens are reported to be free from lallang and other noxious grewths and under a cover of leguminous plants. Neither pests nor diseases gave any real trouble and such cases as were met with yielded readily to treatment. All buildings and machinery were given the necessary upkeep and are reported to be in good serviceable condition. It will, however, be necessary to improve the accommodation for the coolies in the near future.

As regards Taiping estate an area of 7¾ acres of fairly well grown rubber was reclaimed from the abandoned area during the year, with the result that the standard production allowance was increased by 1,640 lbs., but apart from this there was no change in the planted area. The estate was in tapping for 7 months during which period an average area of 234 acres was in bearing, the output being at the rate of 452 lbs. per acre tapped per annum. The rate of bark consumption was normal and the rate of bark renewal satisfactory.

The supply of Labour was sufficient for all requirements and the health of the coolies was, on the whole, satisfactory although the increase in the labour force made the hospital and sanitation expenses considerably higher. Weeding cost 35 cents per acre per month as compared with 25 cents last year and the estate is now reported to be free from lallang and other rough growths. Root disease continued to take its steady toll of trees but apart from this neither pests nor disease gave any trouble.

**Chief Trouble**

The renovated factory worked satisfactorily and economically during the period that the estate was in production. All buildings were maintained in a satisfactory state of repair and will now last for several years to come. Lastly we come to Redjodadi and Tjiboelue estates, the two properties in Java. The area in tapping at the commencement of the year was 650 acres but owing to the gradually increasing degree of restriction on the output of rubber this had been reduced by the end of the year to 337 acres. There was a certain amount of stripey canker in evidence during the year due to the warm damp climate but after the proper treatment was applied this disease was completely mastered. Root disease was also discovered in places and the proper remedies applied.

The chief trouble, however, was encountered from deer and wild cattle which caused considerable damage to the younger fields of rubber. We are handicapped in dealing with these pests as shooting is forbidden by law and we are consequently compelled to rely on somewhat inefficient watchmen to keep these animals in check. During the year 62 acres of the abandoned area was entirely recleared and replanted and this area is now reported to be in very fine condition. The immature area of some 40 acres was thoroughly cleared of rough growths.

All buildings and machinery were given the necessary upkeep and the surroundings are reported to have a neat and clean appearance which is much appreciated by the coolies. Speaking generally these properties are being steadily and economically brought into a first class state of upkeep and it is hoped that we shall receive an increase in the standard production allowance for 1939.

In conclusion, gentlemen, I would like to express our cordial thanks to the respective managers and their staffs, to the agents in the Straits and Java and to the visiting agents for the very efficient manner in which they have looked after the affairs of the various estates during the year under review.

That the Directors' Report and Statement of Accounts for the year ended September 30, 1938, as presented, be adopted and passed. Proposed by Mr. L. E. Canning, and seconded by Mr. R. N. Swann.

That a dividend of Twenty five Shanghai Dollar cents per share be paid. Proposed by Mr. L. E. Canning, and seconded by Mr. R. N. Swann.

That Mr. R. N. Swann be re-elected a Director of the Company. Proposed by Mr. W. A. Welch, and seconded by Mr. Chang Li Zay.

That Messrs. Lowe, Bingham & Matthews be re-elected auditors to the company for the ensuing year. Proposed by Mr. Quin Cey Wu, and seconded by Mr. C. F. Shackleton.

# Estimated Dry Rubber Output for November

| | lb. |
|---|---|
| Henrietta Rubber Estate | 124,000 |
| Langkat | 59,000 |
| Shanghai-Sumatra | 42,000 |
| Sungei Matang Rubber Estate | 24,000 |

# Britain on Road to Trade Recovery

London, Dec. 13.

There are signs of the pendulum preparing again to swing in the direction of recovery, declared Sir John Simon, Chancellor of the Exchequer, in addressing the National Union of Manufacturers yesterday.

With an international situation so troubled and uncertain as the present one, he added, even limited indications of improvement become doubly significant and encouraging and there are such signs.

There is, continued Sir John Simon, an industrial quickening in America, which is bound to have repercussions on world trade, while the figures of Britain's own industrial activity, when an allowance is made for time-lag, also show signs that the United Kingdom is being benefited by the upward movement.—Reuter.

# U.S. Unemployment Decreases

Washington, Dec. 12.

The American Federation of Labour reported today that its surveys show that unemployment declined by 90,000 during the month of November, thereby continuing a steady decrease that began last July.

Unemployment dropped from 10,465,000 in October to 10,375,000 in November, the report said. The figure was the lowest so far this year.

The year's highest point in number of unemployed was in July, with 11,445,134 men out of work.—United Press.

# Federal Reserve Bank Branches

Peiping, Dec. 12.

The Federal Reserve Bank of China is contemplating the establishment of branches at Paoting, Changteh in Honan, Tatung and Linfeng in Shansi, according to Chinese reports.

The issue of the small-denomination notes of one cent, two cents and five cents, which was to take place on December 3, has been postponed to the end of December because those already printed are said to be insufficient to meet the demand of the general public.—Reuter.

# U.S. Production Index Up

Washington, Dec. 12.

The Federal Reserve reported today that November business activity had carried the reserve production index to slightly more than 100. In official quarters it was believed that current production is at a rate definitely above the 100 mark.

Major industries were reported to be holding it at high levels until operations resisted the normal seasonal recession and the demand for new automobiles was reported at a high rate.—United Press.

# Padang Rubber Co.

Messrs. A. R. Burkill & Sons, Ltd. announce that the Provisional Assessment of Standard Production for 1939 has been assessed as follows:—Padang Rubber Co., Ltd. 445,500 lb.


## Hongkong & Shanghai Banking Corporation

*(Incorporated in the Colony of Hongkong. The liability of Members is limited to the extent and in manner prescribed by Ordinance No. 6 of 1929 of the Colony.)*

| | |
|---|---|
| CAPITAL: | |
| Authorized | $50,000,000 |
| Issued and fully paid up | 20,000,000 |
| Hongkong Currency Reserve Fund | 10,000,000 |
| RESERVE FUNDS: | |
| Sterling | £6,500,000 |
| RESERVE LIABILITY OF PROPRIETORS | $20,000,000 |

*Head Office:* HONGKONG

*London Branch:* 9 GRACECHURCH STREET, E.C. 3

*Shanghai Branch:* 12 THE BUND

*New York Agency:* 72 WALL STREET

INTEREST allowed on Current Accounts and on Fixed Deposits according to arrangement.

LOCAL BILLS discounted.

CREDITS granted on approved securities and every description of Banking and Exchange business transacted.

DRAFTS granted on London and the chief commercial places in America, Australia, China, Europe, India and Japan.

SAFE DEPOSIT BOXES to rent.

SAVINGS BANK OFFICE Accounts kept in Dollars Local Currency, Sterling and U.S. Dollars.

*Full particulars on application*

A. S. HENCHMAN, *Manager.*


Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# LETTERS TO THE EDITOR

*These should be typed on one side of the paper only, with double spacing. Publication does not mean that the statements and arguments of the authors are necessarily endorsed by the "North-China Daily News." Correspondents desiring the return of manuscripts not accepted by the Editor are required to enclose a self-addressed, stamped envelope. Acceptance or rejection of letters is solely within the discretion of the Editor whose decision is final, and who will enter into no correspondence in connection therewith.*

## China Incident:

### Way to Discover Meaning

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—On the possible meaning of the present China Incident, some Japanese declarations and editorials are transmitted from Tokyo to all other important cities of the world. Indeed, as the military campaign goes on and on in China, Japanese desires and wishes are expressed gradually, "plainly," boldly or even bluntly, adding colour to a stream of imperial propaganda. To the Chinese, European and American observers, let me say that while there are lines and pages of Japanese statement semi-officially or confidentially presented for information, one must glance between the lines and under the pages.

There can be found under the pages, for instance, the Tanaka Memorandum, the 21 Demands, the story of Korea, the inside history of Manchoukuo, the episode of Taiwan. Then there can be seen between the lines a sort of cannibalism somehow clothed in anti-Comintern Pact and economic co-operation.

Readers may be reminded of the fact that there has been a demand pressed on China by way of Peking and Nanking soon after Japan left the League of Nations and since then that demand has become louder and persistent; namely, "to join a Japanese defensive and offensive alliance and to co-operate with Japan in economics." No one can say what this exactly means. It defies any one for a definition. None can define "sincere understanding" or "economic co-operation" as may be in the mind of a Japanese who happens to exert pressure on the Chinese Government.

There is a tempting suggestion nowadays which one must hear in the exclusive restaurant somewhat in East Asia and which sounds like this: "Great Asiastic Empire à la Tanaka with autarchy militaire—very good; very nice...." Certain Powers out of Asia may like to see it brought about for the sake of revenge or curiosity, but may also find its taste extremely bitter or even poisonous. However, I am talking in sleep—none should be scared!

RIP VAN WINKLE

Shanghai, Dec. 12

## That Spy Story:

### Italian Mission's Denial

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—We are instructed by our clients, the Catholic Mission of Laochokow to write you in the following matter.

You have published in the issue of the 15th instant of your paper under the headline "CHINESE HOLD ITALIANS ON SPY CHARGES" a Reuter's cable from Chungking concerning the said mission.

Please note that the said news is false and tendencious. The Superior of the Mission of Laochokow is as a matter of fact actually not in Laochokow but in Shanghai on his way back from Rome. He has been working for the last fifteen years in this mission and has instructed us to emphasize that all the allegations are absolutely untrue and impossible as he knows the situation there from personal experience very well. The said mission has been in existence for the last 200 years and during all this time has attended to religious, educational, charitable and medical work only, is maintaining an orphanage for about 500 Chinese children and never had anything to do with politics.

The news published by Reuter's Agency is similar to the one which appeared a few months ago concerning an Italian priest in Kichow who was supposed to have committed the same offence whereas after due investigation by the authorities in Wuhang it was proved that an overzealous policeman took an old European coffee machine and two candlesticks for a radio-transmitter.

We therefore request you to be kind enough to publish this statement in such form as you think suitable in a prominent place in the next issue of your esteemed paper so as to maintain the good name of the Catholic Missions in China to which for many years hundreds of thousands of people owe their education, religious faith and possibility of life.

MUSSO, FISCHER & WILHELM.
Attorneys for the
Catholic Mission of Laochokow

Shanghai, Dec. 15.

## China's Railways:

### What is the Position?

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Having recently returned to Shanghai and as a bondholder of many years standing I would like to know what the position and prospects of the Shanghai-Nanking Railway are today?

A "Domei" press communication informed us on December 8 that

> passenger and freight service has been resumed for some time on the Shanghai-Hangchow, Shanghai-Nanking and Soochow Kashing Railways and branch lines. Traffic in these lines has improved and the service is much better than it was before the hostilities, with regular schedules on the main lines connecting Nanking, Shanghai and Hangchow.

If this report is correct it might be opportune to enquire what arrangements, if any, have been made between the British interests concerned and the present operators of the line for protecting the legitimate rights of the bondholders, to whom the earnings and the entire property of the railway are mortgaged.

Are earnings being set aside in order to accumulate funds for payment of loan service to the bondholders?

Are the Japanese Military operating the railway, and if so, for the benefit of whom?

Recent Press declarations inform us that the newly-formed "Central China Devlopment Company," a Sino-Japanese semi-government concern will, amongst its other activities, include the running of railways.

Does this mean that the abovementioned Company will operate the Shanghai-Nanking Railway? And if so will it take over the liabilities as well as the assets of the line?

A matter of nearly three million pounds is tied up in the S.N.R. with five instalments of half-yearly interest and nine yearly instalments of amortization in arrears.

The original loan agreement, to build the railway, was made with the old Imperial régime in 1903. Since that time control of the line has passed through various hands; the change to the Republican party in 1911, followed by an era of local warlordism and civil wars, until the arrival of the Nationalists in 1927. And now again new operators.

In spite of the various changes in administration during the past the rights of the bondholders have never been questioned. Each incumbent in turn has tried to carry out the terms of the loan agreement.

A definite declaration by the present administrators therefore that the rights of the bondholders would be protected in the future would go some way towards allaying the present anxiety.

HAROLD REYNELL.

Shanghai, Dec. 12.

## The Closed Yangtze:

### Really No Boom at All?

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—With regard to the closing of the Yangtze on the pretext that the Kianyin boom has been opened just enough for the passage of Japanese warships and transports, I beg to inform you that it has been reliably reported that already nine out of some 34 Chinese steamers sunk at Kianyin have been raised by the Japanese and that they were either towed to Tsingtao or Japan for reconditioning after which they will be used as army transports.

According to a Chinese ship's officer who took part in the forming of the boom, the boom itself was a loosely constructed affair as spaces between sunken ships were very wide and, with proper marking, it could be crossed without difficulty. In reality, therefore, there is no such thing as a boom at all. Moreover, a number of Japanese transports which make frequent trips up and down the Yangtze now are bigger ships and draw twice more water than those river boats owned by foreign firms. About 100,000 tons of iron ore have been shipped from a place near Wuhu.

The Japanese military is trying to tell the world that since they made great sacrifices in opening the boom, they, therefore, earned the sole privilege to use the Yangtze. For the same reason America can declare to the world that since it was Commodore Perry who was responsible in opening Japan's door, she should therefore be the only nation who can trade with Japan.

A CHINESE READER.

Shanghai, Dec. 17.

## Munich Pact:

### What Was It For?

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Several contributions have been made to these columns with regard to the British Government's policy in connection with the recent crisis. Some of your correspondents have supported the policy as pursued by the Prime Minister, Mr. Chamberlain, and I have no intention to enter into controversy with them. My purpose is to deal with the effects of the Munich Agreement from my point of view.

Recent events have pointed in the direction described as the "Much Capitulation" to which can be attributed the visit paid by the South African National Defence Minister, Mr. Oswald Pirow, to several capitals of Europe, and the consolidation of the Americas to combat the German and Italian propaganda efforts and economic penetration in Latin America. Mr. Pirow's prediction upon his return to London is public knowledge and it will be superfluous to comment thereanent.

In England the rearmament plan is pushed with full force and a substantial amount of money is expended for defence purposes: in France, Mr. Daladier has described the attempted General Strike as a political manœuvre. The persecution of the Jews in Germany and the demand for colonies as well as the demonstrations in the Italian Chamber with regard to French possessions in the Mediterranean, may also be described as natural developments of the Munich Agreement.

Turning to Far Eastern affairs, the Japanese did not invade South China until the Conference at Munich was settled, in spite of the fact that Lord Halifax stated on July 27, that the British Government has the right to protect British interests. The Yangtze still remains closed to third parties and the protest lodged by France, Great Britain and the United States seems to have fallen on deaf ears and will remain unheeded until such time it pleases the Japanese Government, although the British Ambassador has produced further evidence that there is a steadily increasing and regular trade developed by the Japanese. The repercussions in the various parts of the world were probably foreseen by Mr. Chamberlain, the question arises then, why did he not meet the situation with a determined stand? It is difficult to be convinced that Great Britain, with the promised support of the British Dominions, the Indian Princes with all their armies and resources, in conjunction with France, Russia and Czechoslovakia, could not wage battle with the totalitarian states and triumph. Indeed war is an outrage and it is furthermost from my mind to propagate a war psychosis; but if Fascism advocates war, are the democratic nations to withdraw gracefully and subject their appeasement policy to be misinterpreted as weakness, and thereby whet Germany's appetite for expansion at the expense of smaller nations?

It may be contended that Mr. Chamberlain permitted Germany to absorb part of Czechoslovakia on humanitarian grounds—that he wished to spare the women and children and the civilian population of London the horrors of war. To that it may be replied that London is not England—a great majority of non-combatants could be evacuated to other districts before war is declared. Besides, Herr Hitler was certainly aware that retaliatory measures could be adopted on the civilian population of Berlin.

What, then, was Mr. Chamberlain's motive? I wish to hazard the opinion that it was for the protection of capitalism.

RANK & FILE.

Shanghai, Dec. 13.

## Fishery Dispute:

### A Question of Sincerity

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Japan evidently has an unhappy distaste for the same sauce the U.S.S.R. is applying to her, as Japan herself is applying to China.

When it suits Japan, treaties are outmoded that do not pay attention to the "changed conditions" in the Far East. The U.S.S.R. is merely applying the same argument, to recover Soviet sovereign rights in Soviet waters for the Soviet's own "strategical reasons." The fish are unquestionably Soviet fish.

Japan still insists on the fish in Soviet waters, yet she denies that Chinese (let alone foreign non-Japanese) may fish in Chinese waters. And when I say fish I mean fish!

Is this Japanese "sincerity?"

POOR FISH.

Shanghai, Dec. 17.

## Moral Rearmament:

### The Real Need of Today

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I wonder if we stop sometimes to gaze at the spectacle which the world presents to us today? In Spain the Spaniards assisted by certain foreign countries are busy killing each other off. In China in the last eighteen months we have seen the slaughtering and maiming of human beings going on, on a colossal scale. Practically every country in Europe and America is arming at a furious rate, amassing the most devilish and cruel weapons of war with which to murder their fellow men. I am struck by the crass studipity and futility of it all. After all, will great numbers of battleships, aeroplanes, guns and large armies save the people of any nation from being slaughtered, poisoned, bombed, burned and buried in the event of a major war breaking out? As I see it, all the guns, balloon barrages, and aeroplanes in the world will not prevent the wholesale murdering, maiming and poisoning of men, women, and children in the next war.

Then what is the remedy? Are we just going to sit back and wait till war and death and destruction come? I think not. There is a way out, I am convinced and that is Moral Rearmament. As Dr. Frank Buchman says, the choice before the world today is:—"Guidance or Guns". As a number of members of the British Parliament said in a letter to the London "Times" the other day, we have to get back to the simple truths we learned at our mother's knee. Moral Rearmament means the guidance of God in individual lives, then in the life of a nation, and so on to other nations. God and God alone can lead the world out of the mess it is in, but He can only do it through individuals who are morally and spiritually fit. Herein and herein alone, I am convinced, lies our true safety, and hope for the survival of our civilization.

One wonders sometimes if our so-called civilization is worth saving? It will only be worth saving if we as individual men and women set out to make it worth saving. In order to do that we ourselves have got to rearm morally. We have got to face up to the causes of war in our own lives, fear, worry, hate, resentment, prejudice, superiority complex, inferiority complex and so on. It is only when we have peace and love in our own hearts that we can bring this spirit of peace and love to the hearts of others, and so we can be used to raise the plane of our civilization and establish true democracy.

> "These things shall be: a loftier race
> Than e'er the world hath known shall rise
> With flame of freedom in their souls
> And light of knowledge in their eyes."

Major Stephen Foot, business man, soldier, schoolmaster, and author in his book "Life began Yesterday" has a remarkably prophetic chapter entitled "1930-1950". He also brings to each one of us a challenge to action. In a significant passage he says:

> The need is urgent; there is no time to lose. The world is arming. There are at this moment thousands of machine guns pointing at the hearts of the coming generation. What are you going to do? Be sure of one thing—let it disturb your sloop—to do nothing means that your fingers are pressing on the trigger.
>
> "But," you say, "what can I do?" The answer is "Nothing." You have asked the wrong question. The only question is: "What can God do?" He has a plan; what is your part in it? Will you listen to him?

PRO HUMANITY.

Shanghai, Dec. 12.

## Rent Raising:

### Social Ostracism a Remedy?

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Can any of your readers and especially those belonging to the highly aristocratic family of "landlords," explain their very unreasonable attitude towards tenants in increasing the rent at least twice a year? Is there really a moral justification for such acts, especially now that the majority of foreigners are obliged to cut their living expenses on account of poor business?

Thousands of tenants in Shanghai have received letters from their landlords to the effect that their rent will be increased from 10 to 15 per cent. as from January 1939. Let it be said, that the rents had already been increased in August or September a.c. and the majority of tenants have acceeded to the landlords' request. This time, however, this shall not happen, as the increased cost of heating, that lasts only a few months during the year, does in no case necessitate the increase of the annual rent.

Speculation on the space and room crisis cannot be justified by Europeans, and if landlords permit themselves to be regarded as suspicious hunters after "easy money" it is just as permissible to exclude them from the society list.

L. V. G.

Shanghai, Dec. 16.

## Hat Snatching:

### What Can Be Done?

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—It was with a detached condolence that I read the many complaints put to you by gentlemen who had been lately dispossessed of their head-dresses in crowded buses and tram cars. It was even faintly amusing. Today the detached condolence has gone. And it is no longer amusing in any degree. The fact is that I have gone through the same experience myself.

Daily I travel by the No. 22 French bus, and daily I alight at the office and near my doorstep with my wardrobe slightly the worse for direct and constant contact with the masses, but complete in every detail. So that when on Saturday, at 5.30 p.m., at the Kiangse Road-Avenue Edward VII bus-stop I received a blow on my head that knocked off my hat and glasses, I put it to an unfortunate accident. I was annoyed, of course, but not nearly as much as when, finally groping on to my glasses, I put them on and discovered that the hat had gone. And it hadn't gone with the wind, either. Someone had deliberately made away with it. The faces around me were all stolidly innocent, and I decided that whoever had stolen my hat—for it was plainly a case of assault and robbery—had dashed out of the bus. I dashed out of the bus too, and looked frantically around for the culprit. The only things to meet my gaze were (a) the traffic, (b) a lone traffic policeman. I rushed to exhibit B and carefully explained my experience, but that worthy looked down at me with blase unconcern and turned on the green light. Plainly I was boring him. Apparently these hat-experiences were becoming quite the usual thing in his district. When I finally did coax him into speech, it was something to the effect of "Phosieta", which I with my rudimentary knowledge of Chinese gathered to mean "Well, what can I do about it?" When I dismally turned to board my bus I found that even this had gone—with the culprit probably in it.

I am writing this only because apparently I am not alone, and because, if we are not careful, the company I keep may assume larger and larger proportions. Apparently a gang is at work, bent on starting a hat-store in which they mean to sell us back our own hats. Which is not very funny, and may become tragic if the French police authorities take the same attitude as the traffic policeman personifying them, and say "What can we do about it?" As a matter of fact that is precisely what I'd like to know.

BAREHEADED.

Shanghai, Dec. 13.

## Tientsin Cargo:

### Another Source of Loss

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Local traders who have occasion to ship cargo to Tientsin may find it advisable to ship only by steamers which are destined to dock on the Bund in that northern city and profit from the unpleasant experience of one of the foreign firms here.

The said firm neglected to ascertain whether the steamer in which the shipment was made, was due to go up to the Tientsin Bund or not, and it happened that the good ship went only as far as Tangku where she discharged her cargo overside into lighters for transhipment to Tientsin.

On receiving the consignment, the consignees found the cargo in a terrible condition,—packings broken, contents short or damaged.

The worse is yet to come. The cargo was a re-export lot and insured for the voyage to Tientsin by a different company from that which had covered it for the voyage from abroad. The present underwriters repudiated responsibility on the ground that according to established insurance practice, re-export cargo—unless examined before reshipment—can only be insured under F.P.A. terms exclusive of such extraneous risks as theft, pilferage, breakage, chafing, water damage, etc., it being impossible to determine at final destination whether the loss or damages sustained had occurred while the cargo was covered under the old policy or under the new policy.

It is particularly unfortunate that the importers of foreign goods whose business has dwindled much because of the hostilities, should be further subject to these unforeseen additional losses which could be obviated if the shipping companies would make it a point to bring their ships alongside the wharves at port of destination, at least for the time being. The unsettled conditions now existing make it easy for wilful pilferage to be perpetrated but difficult to prevent.

KAO KWOK.

Shanghai, Dec. 16.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# Local Charities:

## Newcomer Wants Facts

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—As a newcomer to Shanghai I should be interested in some information about the charity organizations of the city. What charitable organizations are in existence and how are the different charities apportioned? Who is cared for by the King's Daughters? What is the field of the Salvation Army? What organization is there for needy Russians, and how are the recently arrived German refugees being cared for? There is some committee, of course, looking after Chinese refugees—who would that be? Occasionally one has a generous impulse and would like to make a donation to some particular cause. And sometimes there is used clothing that one would like to dispose of to best advantage. Some information on this subject with a statement of relative needs would be greatly appreciated.

SYMPATHETIC.

Shanghai, Dec. 15.

## Information Forthcoming

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—I shall be obliged if you will permit me to reply to your correspondent 'Eympathetic.'

If he will kindly disclose his name and address to me I shall be most happy to answer all his queries with respect to the foreign charities of Shanghai.

My Committee some time ago had under consideration the publishing of a brochure detailing the information your correspondent desires and the booklet is now in the hands of the printers whilst publication is expected to be at about the end of January next.

Those charitably minded and not knowing where to send their donations cannot do better than to remit to the undermentioned Committee who will gladly redirect same to those foreign charities most in need of financial assistance.

With respect to discarded clothing your correspondent should send male clothing to The Salvation Army, Yang Terrace, Weihaiwei Road whilst female clothing should be sent to The King's Daughters' Society, No. 866 Avenue Foch. Food supplies will always be gratefully received by the General Committee of Russian Emigrant Associations at their distributing centre No. 786 Rue Bourgeat.

A. PULLEN,
*Hon. Secretary,*
Committee Associated Foreign Charities of Shanghai.

Church House, Cathedral Compound, 243 Kiangse Road.

Shanghai, Dec. 16.

## Awful Hopelessness

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Tell SYMPATHETIC that Mr. Pullen, 243 Kiangse Road, the hon. secretary of the Associated Foreign Charities of Shanghai can give him a list of some 26 and more organizations who are trying to cope with the bitter need, misery, and awful hopelessness existing this winter in this city.

But better still, tell him to go and visit a case or even two and see for himself.

No one has the imagination capable of understanding the conditions—it is beyond us comfortable folk.

Here is a case which ought to open still further his sympathies; a Bulgarian boy of 19 came to Shanghai a few years back, his only relative a grandmother having died, left him stranded. He worked in a soda factory for a while, met with an accident, recovered from it, but finds his factory burned to the ground, thanks to the Japan "incident" when he gets out of Hospital. I went to the owner of the factory and checked up on the story, and found they considered him a nice boy, and were sorry they had no jobs of any kind to offer him. That boy is threatened with tuperculosis and is living in the Salvation Army Hut. No job, no home, no relatives, and little if any hope.

Ian McClaren says "Be kind. Every man you meet is fighting a hard battle." I can duplicate that story many times and tell of men with a family of wife and children, in the same sad, sad, fix. Surely this Christmas time we just cannot be deaf and Blind to it all but will send into these charity organizations little, or much but best of all, go ourselves and make them feel somebody cares.

ELLA ELY.

Shanghai, Dec. 16.

# The Great Need:

## A Penitential Christmas

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—It is in the quiet hour of the early morning when the throbbing city is almost silent and when only an occasional street cry or moving vehicle is heard. Ten days from now the Christian world will be on the threshhold of Christmas Eve and tens of thousands will be singing "Silent Night, Holy Night" in honour of the Prince of Peace.

Millions of people soon will be wishing their friends "A Merry Christmas," but this year do not the conditions of the whole world suggest that it would be more fitting if we should wish for our friends and ourselves "A Penitential Christmas"?

The writer and a friend, who has given the past thirty-seven years of his life to work in the Orient, have been travelling in Japan, Korea, Manchuria and China with a deep longing for the fulfilment of the Christmas message of "Peace on Earth, Goodwill to Men."

We have found in each of these troubled countries much kindness and courtesy and at each place where we have stayed, we have found rare souls with love and forgiveness and understanding in their hearts. But in our own America, in Europe and in the Orient, we know too well that fear outweighs goodwill and suspicion weakens neighbourliness.

Is it not fitting then, however else we celebrate Christmas this year, that each one of us should spend sometime in searching penitence before God—not thinking of our neighbours' "shortcomings," but of our own, until we can honestly say "Lord be merciful to me a sinner."?

As members of any Church or of any religious or cultural group, be it large or small, should we not consider with real humility how far short we have fallen of the best teachings of our own group?

As loyal citizens of any country of the world, should we not at this time think earnestly of the mistakes or shortcomings of our own country, rather than those of some other country?

A good place for penitence to begin is with myself, because I believe that in some measure I share in the responsibility for the tragic conflict that now engulfs the Chinese and Japanese people whom I love. As one small person in the many millions of the world and as a member of the Society of Friends (Quakers) of Philadelphia and as a citizen of the United States, I call myself to a Penitential Christmas. With that penitence I feel the call to a better devotion to Peace on Earth—Goodwill to Men.

C. WALTER BORTON

Shanghai, Dec. 14.

# Russian Titles:

## When is a Grand Duke Not?

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—With regard to the article "In the Russian Colony" which appeared in your esteemed paper yesterday, mention is made there of Grand Duke Vladimir.

I beg to dispute the correctness of this style, since that gentleman is not a Grand Duke, but a Duke with the qualification Highness. Just the same as his sister, Kira, who, with her husband, passed through Shanghai not so long ago, used to be a Duchess; although not only French, British, German and American, but even Russian papers styled and still style her a Grand Duchess. Since her marriage to Prince Louis Ferdinand of Prussia she, of course, has become a Princess with the qualification Royal Highness.

The reason for this differentiation in title is that, according to the Russian dynastic ruling, imperial offspring in the third degree cease to be Grand Dukes or Grand Duchesses with the qualification Imperial Highness; they become Dukes or Duchesses with the qualification Highness.

As a similar instance I refer to the issue of the late Grand Duke Constantine Constantinovich, who, to the world at large, was and is famous as poet under the nomme de plume "K.R." His offspring are or were—some being dead now—Dukes and Duchesses with the qualification Highness, although both their parents certainly were members of sovereign houses and carried the qualification Imperial Highnesses.

This is no attempt to minimize or criticize anybody or anything. On the contrary, it is an effort to pay respect to and protect imperial or royal dignity and rank in whatever elevation or term it be.

J. M. ZAETZEFF.

Shanghai, Dec. 15.

# What is Stalin?

## Jew or Aryan?

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—I will be very much obliged to you if you will through the columns of your esteemed paper clarify an argument between a friend and myself as to whether Stalin (Russia's Dictator) is a Jew or an Aryan.

CURIOUS.

Shanghai, Dec. 11.

## Said Not to Be a Jew

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—In reply to CURIOUS, Comrade Stalin, the beloved hero of the teeming millions of the Soviet Union, is a Georgian, and is not a Jew. I do not suppose he cares whether he is an Aryan or not. In the deep dignity and simplicity of his character he appears to many of us in foreign lands as a great anchor firmly upholding in a welter of aggression the security and progress of the first socialist State and of all progressive humanity. Thus we are re-assured by his solid presence in these days of strife.

It is also fitting for us to express at this critical moment in history a word of appreciation for the tireless and positive efforts for world peace of Comrade Litvinoff, Commissar for Foreign Affairs of the U.S.S.R., who is a Jew.

TOWARDS PEACE.

Shanghai, Dec. 16.

## Not Jew or Aryan

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—As TOWARDS PEACE says, Stalin is a Georgian, and I believe he is right when he says the Soviet leader is not a Jew. Anyway, he could not possibly be a member of the Aryan race, as there is no such thing.

Outside of the realms of Nazi ethnology, the word Aryan is never used in a racial sense, as it is an adjective pertaining to a language used over an enormous area "peopled by the most divergent races."

Broadly speaking, the races of man are six in number:—Nordic, Alpine, Mediterranean, Mongol, Negro and Australian. The first three comprise the "White" or "Caucasian Man," the fourth "Yellow Man."

The Nordic race includes the Scandinavians, North Germans and some Russians; the Alpine race includes the European Alpine (Swiss, South Germans, Slavs, French and north Italians) and the Asiatic Armenoid (whose characteristic nose may be found among many Jews and Arabs); while the Mediterranean race, as its name denotes, includes the inhabitants of the Mediterranean lands and also of parts of Africa and Arabia. Incidentally, it is interesting to note that the original home of the Nordics is now almost universally believed to have been in the south Russian steppes, or their neighbourhood.

ARTHUR GEE.

Shanghai, Dec. 17.

## The World's Great Anchor!

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Now is it not just grand that this suffering world has a "great anchor" like Stalin, with Litvinoff to do the rattling for him? How we should congratulate ourselves! They can afford to play the anchor before a gullible public, but a truer underwater comparison of this precious pair would liken them rather to the worms that destroy the hulls of ships, for a large proportion of the dirty underhand work of recent times the world over can be directly attributed to them. Why should they come out and fight in the open when, in perfect safety, they can destroy from below?

AMERICAN.

Shanghai, Dec. 17.

# Toothpaste:

## A Prohibition Explained

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—To my knowledge there is no other but Beiersdorf's Pebeco toothpaste, on which outer package the wording is printed: "Export to the United States of America and to the Dominion of Canada is prohibited."

Pebeco Toothpaste is manufactured in various countries all over the world according to Professor Unna's formula. During the Great War (1914-1918) the right to manufacture and sell Pebeco Toothpaste in the United States of America and the Dominion of Canada was transferred to a different company, and since then we were no longer allowed to export Pebeco Toothpaste to these two countries. Of course this is not common knowledge, and to spare our customers the trouble, they probably will meet with, if they still sell our toothpaste to these territories, we are printing on all our Pebeco packings the above mentioned wording.

E. SCHILD.
Far Eastern Representative of Beiersdorf & Co.

Shanghai, Dec. 19.

# *From the SHANGHAI MUNICIPAL GAZETTE*

## Consular Information

The Municipal Council has been notified that Mr. S. Hidaka, Consul-General for Japan, is departing from Shanghai and that Mr. I. Goto, Consul, will take charge of the Japanese Consulate-General pending the arrival of Mr. Hidaka's successor.

## Henry Lester Scholarships

The following successes in the examination for the Henry Lester Scholarships held in October, 1938, were obtained by pupils attending the Council's Schools for Foreign Children:

**Western District Public School:**

Alexander Samson—Scholarship
Igor Karmiloff—Honourable Mention
Isaac Tuttelman—Honourable Mention

**Public School for Girls—Yu Yuen Road:**

Louisa Johanna Carriere—Scholarship

## Municipal Advocate's Report For November

The Municipal Advocate states in his report that a total number of 12,298 cases were prosecuted in the Shanghai First Special Area District Court and the Kiangsu High Court, Second Branch, during the month of November, as compared with 12,124 cases in October. Out of the total number of cases prosecuted during November, 11,006 were Administrative Cases, and 1,170 were Criminal Cases. Out of the total number of Administrative Cases brought to trial, 7,450 persons failed to appear and their bail was confiscated, and 17 were withdrawn, as compared with 7,677 cases in which bail was confiscated and 25 cases withdrawn in October. 3,539 Administrative Cases were prosecuted to completion, out of which number, 3,539 persons were convicted and none acquitted. 58 Criminal Cases were withdrawn and 1,112 were prosecuted to completion, out of which number 991 persons were convicted and 121 were acquitted. The total number of Administrative and Criminal cases prosecuted to completion was 4,651 as compared with 4,352 cases in October. 4,530 persons were convicted and 121 persons were acquitted, as compared with 4,240 persons convicted and 112 persons acquitted in October.

In addition, there were 122 Private criminal prosecutions as compared with 95 in October.

**Percentage of Convictions.**—89 per cent. of the persons charged in Criminal Cases, and 100 per cent. of the persons charged in Administrative cases were convicted, making the total percentage of convictions for the month 94.5 per cent. as compared with 95.5 per cent. for the month of October.

**Appeals (a) By the Council.**—Two appeals were made during the month of November to the High Court. One appeal was concluded during the month of November. The total number of appeals by the Council pending on November 30, was as follows:—In the Supreme Court, 1; in the High Court, 9.

**(b) By Defendants.**—105 appeals were perfected during the month, 18 to the Supreme Court and 87 to the High Court. 90 appeals by the defendants were concluded and dealt with as follows:—

| | |
|---|---|
| Accused found not guilty | 8 |
| Appeals dismissed | 67 |
| Appeals withdrawn | 3 |
| Cases sent back for retrial | 2 |
| Sentences increased | 0 |
| Sentences reduced | 10 |
| | 90 |

There were 233 appeals filed by the defendants pending on November 30, as follows:—In the Supreme Court, 49; in the High Court, 184.

**Extradition.**—No applications for handing over were made by the Extra-Settlement authorities during the month.

**Cases Pending**—On November 30, there were pending in the High Court and District Court 67 cases which, together with 243 cases on appeal, make a total of 310 cases. In addition to the above, there were 16 cases in which the accused were held on writs of detention.

## No Discrimination

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—In reply to the letter from INQUISITIVE, we do not know to which German toothpaste his purchase referred but are pleased that he was satisfied with the product.

The wording "Export to the United States of America and the Dominion of Canada is prohibited" does not at all mean any discrimination against either the United States of America or Canada, but is only meant as a protection to the agents there who most probably manufacture the toothpaste there under special permission from the original manufacturers of the toothpaste in Germany.

GERMAN IMPORTER.

Shanghai, Dec. 19.

# Christmas Spirit:

## The Need for Charity

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—With the approach of 1939, I would like to urge upon your readers a paramount resolution, to wit: Charity.

Faith moves mountains and hope springs eternal in the human breast but, alas, Charity has not inspired any poet.

The deserving case of the rickshawmen has been forgotten with the discontinuance of your popular Christmas fund, beggars abound in our midst, poverty is rampant in Shanghai.

Let us rid ourselves of the usual callousness, for whosoever give unto the poor gives unto the Lord.

J. C. B.

Shanghai, Dec. 16.

## Shanghai's Charitableness

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Remembering that we are so often taken at our own valuation I raise a faint protest at the concluding paragraph of J. C. B.'s letter:

> Let us rid ourselves of the usual callousness, for whosoever gives unto the poor gives unto the Lord.

A stranger reading J. C. B.'s letter would think that here was some good man seeking to stir up something of a Christmas spirit in a community entirely given over to selfishness. And yet ever since I came to Shanghai I have been struck by its charitableness—one burden after another has been laid on its shoulders and it has managed to carry them all. Let J. C. B., if he feels like it, say to himself "I will rid myself of my usual callousness" (if he is callous—which I feel sure he isn't), but his appeal to the community might have been put differently. Christmas to the various national societies, women's associations and the like is merely a time for an extra effort—their charitable work goes on all through the year.

As for the value of poetry as an inspiration—I think J. C. B. attaches too much importance to it. But I daresay if I looked through the "Oxford Book of English Verse" I might find some kind of a poem in praise of Charity.

TAGDAY.

Shanghai, Dec. 19.

# Shanghai Slandered:

## A Reader's Confirmation

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—With reference to your leaderette "Shanghai Slandered" and the sentiments expressed therein, which I am sure will be confirmed in the minds of all your readers whose brains have not turned into "maggots bred in putrid wounds," it leads one to wonder, in view of the fact that Japanese censors in the Post Office destroyed all the September overseas copies of the "China Journal" because of the publication of a photograph showing Japanese prisoners captured by the Chinese Army, whether these same censors will confiscate all over-seas copies (if any), of the first issue of "Shanghai."

You will observe from my card that I am not in any way connected with the "China Journal," also why it is necessary for me to write anonymously, although it is not my usual habit, but having seen this issue of "Shanghai," I shall be very pleased to supply to censors, should they decide to destroy all the copies in their possession, with sufficient quantity of pure carbolic acid free of charge.

REVOLTED.

Shanghai, Dec. 17.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## SPORTS AND PASTIMES

# Sudden Death of Shelaeff

### Popular Young Russian Boxer Dies of Brain Concussion Shortly After Last Fight

San Francisco, Dec. 13

ANDRE Shelaeff, Oriental welterweight champion, died under anaesthetic in the operating theatre of St. Luke's Hospital at 4 a.m. today. The youthful Russian boxer, who would have been nineteen years of age tomorrow, failed to revive consciousness despite all efforts of leading local physicians who found it necessary to operate. Physicians at St. Luke's Hospital ordered an emergency operation after they found that the Russian youth from Shanghai was suffering from concussion of the brain. Despite all their efforts to save his life, he died under the knife without coming out of his state of coma.

Death came several hours after Shelaeff had lost the most important bout of his campaign in the United States to George Salvadore, veteran Texan fighter, at the Dreamland Auditorium.

The husky Russian boy left the ring and walked downstairs to the showers unassisted. After taking a shower he entered his dressing room. He appeared to be normal. He started dressing, but before he had completed dressing he collapsed.

After preliminary medical examination, he was rushed to the San Francisco Emergency Hospital, but was transferred to St. Luke's Hospital when physicians said that his condition was serious and that he would probably have to undergo an immediate operation.

Doctors found blood pressing on Shelaeff's brain four inches above the right ear, it was reported. Shelaeff's seconds believed that the injury was the result of a previous fight.

**Salvadore Goes to Help**

Salvadore, conqueror of Shelaeff, rushed to the Russian's dressing room when he heard that Shelaeff had collapsed.

He was one of the first to reach the side of the stricken Russian boy. He immediately aided the house doctor and others in the dressing room in efforts to revive Shelaeff. Their efforts, however, proved futile and they immediately sent out an urgent call for an ambulance which rushed Shelaeff to the Emergency Hospital.

Early this morning Salvadore was arrested on the technical charge of manslaughter pending the official inquest into the sudden death of the Russian boxer.

Heinrich Seelig, manager of Shelaeff, was heart-broken.

**Born in Perm**

Born in Perm, Russia, Shelaeff lived most of his life in Harbin, Manchuria. He is survived by his father and mother, three sisters and a brother.

His father is a Russian priest at Harbin. His brother, who is a few years older, is also a boxer, but is not a first class fighter. Two of Andre's sisters are in Harbin, while the other is in the Soviet Union.

Shelaeff was taken in hand by Seelig in Harbin when the Russian was a mere slip of a boy. Seelig coached him after seeing him box at the Harbin Y.M.C.A. and soon discovered that he had a natural fighter on his hands. After cleaning up all opposition in Harbin, Shelaeff was taken by Seelig to Tientsin where he also did well.

His fine displays in Tientsin resulted in his receiving much publicity in Shanghai and the Auditorium in Shanghai imported the Russian battler. He bowled over all foes with the exception of Young Alde, veteran Filipino boxer.

When the Sino-Japanese hostilities broke out in Shanghai in the summer of 1937, Shelaeff went to Manila where he eventually won the welterweight championship of the Orient. After his successful campaign in Manila he returned to Shanghai and then proceeded to the United States.

He was just getting into his stride in San Francisco when death suddenly halted what many predicted would have been a brilliant career in the ring.—United Press.

**Boxers Honour Shelaeff**

San Francisco, Dec. 14.

Scores of battle-scarred boxers today trooped past the body of Andre Shelaeff, Oriental welterweight champion who died early yesterday morning following a bout with George Salvadore, lying at Halstead Dierks Mortuary where simple funeral services will be held at 8 a.m. tomorrow.

The funeral services will be largely attended by the local boxing fraternity among whom the dead eighteen-year-old Russian fighter from Shanghai was very popular. A large gathering is expected for the youthful Russian gained a wide circle of friends in the short time he had joined the local boxing fraternity.

Mass will be celebrated at the Russian Church here at 9 a.m. on Friday after which Shelaeff will be laid to rest at the Serbian Cemetery under the auspices and the expense of the California State Athletic Commission. George Payne, chairman of the commission, claimed the body today.—United States.

**Funeral Services**

San Francisco, Dec. 15.

Impressive funeral services were held tonight for Andre Shelaeff, eighteen-year-old Oriental welterweight champion who died early Tuesday morning following a bout with George Salvadore. The funeral services were held after the State Coroner reported that Shelaeff had died from cerebral hemorrhage. Physicians who performed the emergency operation, however, could not determine whether the hæmorrhage was caused by an old or new injury, the Coroner said.

**Andre Shelaeff**

This picture was taken when he weighed in for his fight against George Levchenko at the Canidrome.

Funeral services were held at the Halstead Dierks Mortuary where Shelaeff's body has been lying since it was removed from St. Luke's Hospital. The mortuary was banked with flowers sent by most of the boxers fighting in San Francisco, various gym owners and athletic groups.

A full choir of the Church of the Suffering Virgin was present and chanted in Russian. Orthodox services were conducted by two Russian priests, Basil Shaposhnikoff and Ivan Gvozdef, of the Church of the Suffering Virgin.

The funeral was held under the auspices of the California Boxing Commission and Commissioners William Ritchie and Andrew Bodisco were present.

A special mass will be celebrated at the Russian Church tomorrow at 9 a.m. The mass will be followed by the burial at the Serbian Cemetery.

Heinrich Seelig, manager of the dead Russian boxer, has not yet decided on his future plans. He said he may leave for New York or return to the Orient "if I receive an offer."—United Press.

## *Lightweight Title to Eric Boon*

London, Dec. 16.

Eric Boon, eighteen-year-old youth and virtually an unknown boxer, became the lightweight champion of the British Empire today by knocking out Dave Crowley in the thirteenth round of a planned fifteen-round bout. — United Press.

## Shanghai Rugby

**A Heavy Defeat**

Shanghai, Dec. 18.

Playing a most determined and aggressive type of game at the Race Course yesterday afternoon, the French Forces 1st XV, taking advantage of the few chances that came their way, inflicted a heavy defeat on the Club's first side, to win the match and the premier section of the Invitation Series by thirteen points (two placed goals and a penalty goal) to three (one try). The play never reached a high standard, foot rushes and loose mauls making the greater part of the afternoon, while the number of penalties awarded during the course of the game must have exceeded twenty. Although on the wrong side of the score, the Club, in many respects, were unlucky to lose, for they played at times brilliantly only to see golden chances thrown away when in threatening positions.

FRENCH FORCES 1ST XV: Got; Sahonnet, Richard, Lieut. Detri, Pellegry; Coutouly, Mal; Laffond, Stourbe, Groland, Le Doze, Paumè, Meyer, Simon and Dr. Carrel.

CLUB 1ST XV: W. H. B. Rigg; J. W. M. Martin, A. P. D. Kennedy, R. H. Roe, P. J. A. Innes; G. M. Mills, T. R. Bassett; W. D. Pearson, J. F. Burford, R. A. O. Mayne, A. M. Kennedy, G. G. Brown, W. J. Richmond, R. U. Reynolds and P. B. Tay.

Referee: Mr. G. S. Dunkley.

**Police Vengeance**

Shanghai, Dec. 18.

Six points down at one period of the second-half, the heavy Police forwards went into action with a will at the Race Course yesterday afternoon in the final game of the third group of the Invitation Series, and by forcing their way through their smaller but, nonetheless, determined opponents, shoved their way to success to down the Club 3rd XV by ten points (two placed goals) to six (one try and a penalty goal), and gain first place in the junior section of the Series.

Reynolds, the Police hooker took all the honours, he being head and shoulders above any one else on the field. He secured the ball in set scrums with monotonous frequency and in the loose was positively brilliant, his long swerving runs being a continual threat to the harassed Club defenders, while his work in the lineouts and footrushes was always constructive. His tackling was fierce throughout and rarely did any opponents escape his well-timed dives at their legs. He has played well all the season and is well deserving of inclusion in senior local fifteens.

POLICE: J. D. Killingbeck, L. A Cockburn, A. Hartley, J. MacFarlane, C. J. W. Fallace; P. J. Kelly, L. R. Hocking; H. Newell, G. H. Reynolds, T. E. Dearn, H. Edgar, A. T. E. Reece, F. T. McKeown, A. J. Buxton and D. B. Henchman.

CLUB 3RD XV: W. P. Hetherington, E. S. Blackwood, K. Okimoto, S. J. Ward, B. H. McMichael; A. Thomas, R. Laird; M. O. Liddell, T. D. Adams, J. W. Chapman, A. L. A. Bonbernard, J. R. Blaikie, L. D. M. Beattie, F. R. L. Carey and F. W. Gilbert.

Referee: Mr. D. W. Leach.

**Tung Wen Trounced**

Shanghai, Dec. 19.

Despite the fact that they put up a splendid showing in the final game of the second group of the Invitation Series, Tung Wen College XV met their masters at the Race Course yesterday afternoon in the Club second side, which gained a good win by ten points (one dropped goal and two tries) to five (one placed goal). The result, which gave the Club team first place in the Invitation Series' grouping, was in doubt right up to the last second and although both fifteens played hard football under trying conditions there is no doubt that the better aggregation won.

CLUB SECOND XV:—J. L. R. Mair; I. M. Hutchison, A. S. Reed, R. N. Bryant, O. P. Edwards; B. R. Brown, J. A. McGregor; F. W. Dunhill, M. N. Speyer, G. A. Yanus, J. D. Sayle, J. March, J. R. M. Warner, D. M. Wheeler and W. V. K. Chadwick.

TUNG WEN COLLEGE 1ST XV:—Nakamura; Yoshimura, Hara, Tania, Baba; Akabori, Inouye; Mayeda, Kaite, Ishida, Takase, Murakami, Matsuura, Mori and Fukabori.

**An Easy Win**

Shanghai, Dec. 19.

Playing a thoroughly fine game all round, the Club 4th XV easily beat the Area Details at the Race Course yesterday afternoon, the final score of six points (two tries) to nil, hardly being indicative of the run of the play. Taking the ball at their feet time after time the Club pack, splendidly led by Lucas, had the soldiers in a bad way right from the commencement, only hard and determined tackling keeping the civilians from running up a much larger tally.

CLUB FOURTH XV:—Pte. Walmesley; L. G. Shellam, G. E. Bennett, A. Thomas, E. A. J. Fabian; L. R. St. Louis, S. M. Thornley; R. J. Lucas, F. W. Poate, R. J. Shepperd, W. Hetherington, J. Kinloch, E. Lang, G. H. Reynolds and C. H. Hodgman.

AREA DETAILS:—Capt. Barclay; Driver Woods, Cpl. Wilmot, Pte. Leach, Pte. Whybro; Pte. Morris, Cpl. Ashenhurst; Sgnlman. Hall, Sgnlman. Evans, Sgt. Butterfield, Pte. Potter, Pte. Grainger, Cpl. Hurditch, Pte. Smart, Pte. Jones.

**Lucky Victory**

Shanghai, Dec. 19.

Utilizing their speed to better effect than their opponents, the French Forces 2nd side just managed to eke out a narrow victory over a combined Police and Seaforths XV at the Race Course yesterday afternoon in a game that was rather spoilt by the filthy conditions underfoot and a driving drizzle that made the ball most difficult to handle.

FRENCH FORCES 2ND XV:—Valve; Rousset, Polly, Hauss, Delort; Founs, Vilm; Depere, Bournat, Joerg, Monnet, Mussard, Abraham, Mounod and Montaignan.

COMBINED POLICE / SEAFORTHS XV:—Pte. Walmesley; L. A. Cockburn, J. T. Duffy, Lieut. R. D. McLaglen, J. D. Forster; L/Cpl. Hardiment, Pte. Crow; Lieut. I. A. McLaglen, G. H. Reynolds, Pte. Waud, F. T. McKeown, J. Kinloch, U. H. Richards and D. B. D. Henchman.

## Shanghai Hockey

**Fine Victory**

Shanghai, Dec. 18.

Playing their best game of the season in spite of the absence of Capt. Cole, who was on the injured list, the Shanghai Hockey Club scored a fine victory over the Germans in a First Division match at the Race Course yesterday by three clear goals. The victory put the S.H.C. XI in a position to combat the United "A" for the championship of the local League.

Shellam was the spearhead of attack, being always there to break into the German defence.

GERMANS:—Schoemann, Von Aster, Schroeder, Droesse, Remmele, Melchers, Guenter, Berg, Wetzell, Wiecke, Daeumling.

S.H.C. "A":—J. Pullen; H. K. Cassels, H. A. Crickmer; C. E. Broadbent (Capt.) D. S. Harley, B. K. Wallace, J. S. Kenyon, L. G. Shellam, A. Maude, J. W. Pote-Hunt, R. J. Parsons.

**East Surreys' Defeat Club**

Shanghai, Dec. 18.

The East Surrey Regiment experienced no difficulty to vanquish the Shanghai Hockey Club "B" XI at the Race Course yesterday and relegated the opponents to the bottom of the First-Division by a score of five nothing. Pike, outside left, performed a hattrick by countering the first three goals in the pan, having good share of play in the first five minutes. In the 8th minute Pike scored an oblique shot as he cut in from the left. Having once found the way to score, the soldiers pressed persistently. Capt. Clift at centre-half made several beautiful moves but the forwards lacked finishing touch.

EAST SURREY:—Johnson, Moore, Le Clair, Hill, Clift, Swanson, Kerrick, McClarty, Gibbs, Gilboy, Pike.

S.H.C. "B":—E. Brazel; J. H. Blakelock (Capt.), E. Beeching; J. Yarsen E. W. Price, W. M. Macoustro; P. Watkin-Williams, G. A. Churchill, T. G. C. Knight, J. Robertson, G. J. Read.

**Seaforths Beaten**

Shanghai, Dec. 19.

Playing against ten men in the first 25 minutes and forging into a three-goal lead, the United Hockey Club trounced the Seaforth Highlanders at the Race Course by a lop-sided score of 6-1 to maintain their lead in the First Division of the S.H.A. League.

SEAFORTH:—Wilson, Vickers, Richie, Cunningham, Aberdeen, Henderson, MacDonald, Davis, Cheney, Gunn, MacJamsey.

UNITED:—Jones, Pate, Collaco, Fonseca, Oliveira, Berglof, Bojesen, Waldman, Kermani, Murray, Veir.

## *Foreign Football XI*

Shanghai, Dec. 18.

The following players have been honoured by being selected to play on the Foreign XI in the Marine Engineers' Charity Cup Match on December 26 at the Canidrome.

C. Atkinson (Seaforths), G. Collet (A.S.F.), L. Marcal (Lusit.), W. Westwood (S.M.P.), D. McCusker (Seaforths), A. Symons (S.R.C.), R. Favacho (S.R.C.), E. McGuigan (Seaforths), W. Fraser Seaforths), L. Rozario (Lusit.), H. Peachey (Seaforths), Reserves.—F. Peasgood (S.M.P.), A. Turner (S.M.P.), Pte. Hale (Surreys), Bdm. Waters (Surreys).

Players are requested to be at the Canidrome dressing rooms at 1.45 p.m. on December 26 where all parts of the uniform will be provided excepting boots. Those unable to play are to communicate with M. Spiegler or S. V. Gash.

## Ski Club Meeting

Shanghai, Dec. 14.

At the annual general meeting of the Ski and Winter Sports Club of China the following Officers were elected:—president; Mr. E. Fontanel, Charge d'Affaires and Consul General for Switzerland, president; Mr. W. Holzaepfel, chairman; Dr. J. H. Blakelock, vice-chairman; Miss A. Witschi, hon. treasurer; Mr. W. B. Hughes, Imperial Chemical Industries, P.O. Box 252, Shanghai, hon. secretary.

## Charity Basketball

**America Defeat**

Shanghai, Dec. 15.

China scored a second successive victory over America in the Charity Basketball Series at the Foreign Y.M.C.A. last night to gain possession of the Shun Pao Cup. The score was 35 to 33, with the Americans trailing by 18-17 at half-time.

| China | fg. | ft. | f. | pts. |
|---|---|---|---|---|
| Zung, f. | 0 | 0 | 1 | 0 |
| Chow, f. | 4 | 3 | 3 | 11 |
| Kung, f. | 2 | 0 | 2 | 4 |
| Lee, f. | 0 | 0 | 1 | 0 |
| Chen, c. | 2 | 1 | 4 | 5 |
| Loh, g. | 0 | 0 | 4 | 0 |
| Tsai, g. | 3 | 3 | 2 | 9 |
| Sun, g. | 2 | 2 | 2 | 6 |
| | 13 | 9 | 19 | 35 |

| America | fg. | ft. | f. | pts. |
|---|---|---|---|---|
| Squires, f. | 1 | 2 | 3 | 4 |
| Moore, f. | 4 | 1 | 0 | 9 |
| Grow, f. | 0 | 1 | 3 | 1 |
| Wilde, c. | 2 | 2 | 2 | 6 |
| Sargent, g. | 2 | 3 | 0 | 7 |
| Bryant, g. | 0 | 0 | 4 | 0 |
| Palmer, g. | 0 | 0 | 0 | 0 |
| Carson, g. | 2 | 2 | 3 | 6 |
| | 11 | 11 | 15 | 33 |

1st half:—China 18, America 17.
2nd half:—China 17, America 16.

**Third Game**

Shanghai, Dec. 17.

Using two different Marine teams, America won the third game of the International Charity Basketball Series at the Foreign Y.M.C.A. last night by a score of 43 to 35. The Chinese showed signs of fatigue after capturing the Shun Pao Cup on Dec. 14 and were unable to withstand the attack of the "Leathernecks" towards the closing stages. Another great crowd of spectators watched the struggle.

| America | fg. | ft. | f. | pts. |
|---|---|---|---|---|
| Grow, f. | 1 | 1 | 3 | 3 |
| Hughest, f. | 2 | 1 | 0 | 5 |
| Pasko, f. | 0 | 1 | 0 | 1 |
| Moore, f. | 2 | 3 | 3 | 7 |
| Matujec, c. | 2 | 1 | 0 | 5 |
| Kaufman, c. | 0 | 2 | 0 | 2 |
| Wilde, c. | 2 | 0 | 1 | 4 |
| Bryant, g. | 2 | 1 | 0 | 5 |
| Sargent, g. | 1 | 0 | 0 | 2 |
| Dingwall, g. | 0 | 0 | 0 | 0 |
| Lewis, g. | 2 | 0 | 3 | 4 |
| Goush, g. | 2 | 1 | 1 | 5 |
| | 16 | 11 | 11 | 43 |

| China | | | | |
|---|---|---|---|---|
| Z. L. Zung, f. | 1 | 0 | 2 | 2 |
| Y. L. Kia, f. | 3 | 0 | 1 | 6 |
| Darwin Chow, f. | 3 | 0 | 1 | 6 |
| K. Y. Kung, f. | 2 | 0 | 2 | 4 |
| Y. Z. Chen, c. | 4 | 2 | 1 | 10 |
| Y. H. Tsai, g. | 3 | 6 | 4 | 12 |
| S. L. Jui, g. | 0 | 0 | 3 | 0 |
| K. Y. Tsoh, g. | 0 | 1 | 2 | 1 |
| | 13 | 9 | 16 | 35 |

1st half:—America 18, China 16.
2nd half:—America 25, China 17.

## Ladies' Open Golf Championship

Shanghai, Dec. 16.

Mrs. Burton again displayed her prowess on the golf links by winning in convincing fashion the Ladies' Open Golf Championship at the Hungjao Golf Club's course which has been played off during November and December.

Going through the preliminary rounds with considerable ease, each match consisting of 18 holes, Mrs. Burton then scored an overwhelming victory in the 36-hole final round by defeating Mrs. Gordon by 14 up and 13 holes to play.

The full results were:

FIRST ROUND

Mrs. Gordon beat Mrs. Barter 4 and 3.
Mme. Laffond beat Mrs. Innes 3 and 1.
Mrs. Omond beat Mrs. Howell 7 and 6.
Mrs. Burton beat Mrs. Rigden 6 and 4.
Mrs. Germ beat Mrs. Gubb 1 up.
Mrs. Watson beat Mrs. Maitland w.o.

SECOND ROUND

Mrs. Davis beat Mrs. Harrison 1 up.
Mrs. Gordon beat Mme. Laffond 4 and 2.
Mrs. Burton beat Mrs. Omond
Mrs. Germ beat Mrs. Watson 4 and 3.

SEMI-FINALS

Mrs. Gordon beat Mrs. Davis 2 up.
Mrs. Burton beat Mrs. Germ 6 and 4.

FINAL

Mrs. Burton beat Mrs. Gordon 14 and 13.

## Fourth Paperhunt

Shanghai, Dec. 19.

The popular combination of Chester Fritz and his hunter Tempest were again to the fore yesterday when the pair triumphed over a field of nearly sixty riders to win the fourth hunt of the season. The hunt was laid in the Minghong district by Drs. J. Edgar and W. L. McWhirter and a splendid course took the riders through several places that were used in the second hunt. The hunt started at Black Friar's Bridge and finished at New Wiggly Waggly and covered a distance of about nine miles.

The card read as follows:

1. Chester Fritz on Tempest (Z)
2. A. V. Striker on Bull Run (Z)
3. A. Johnstone on King's Jubilee (Y)
4. A. Hille on Vogelweise (Z)
5. P. Cutt on Fish I (Y)
6. M. G. I. Melchoir on Wild Horseman (Y)

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## Shanghai Soccer

**Saturday's Games**

Shanghai, Dec. 18.

Results of all league soccer matches played in Shanghai yesterday were:—

JUNIOR CUP

Kwang Lou 2, Area Details 2 (unfinished)

1ST DIVISION

Seaforths 3, A.S.F. 3
S.M.P. 6, S.R.C. 4

RESERVE DIVISION

S.M.P. 1, Seaforths 1

2ND DIVISION

J.A.C. 5, Abteilung 0

3RD DIVISION

Game Postponed.

**Sunday's Games**

Shanghai, Dec. 19.

Results of all league soccer matches played in Shanghai yesterday were:—

JUNIOR CUP

Tung Wen 1, U. T. Party 5

1ST DIVISION

Tung Hwa 2, East Surreys 1

RESERVE DIVISION

Aurora 3, East Surreys 4

2ND DIVISION

Russian Regt. 16, J.A.C. 0
Area Details 2, Sokol 4

3RD DIVISION

P.T.H. 15, Vitiaz 1

FRIENDLY MATCH

Russian Club 5, Betar 0

**First Lido Defeat**

Shanghai, Dec. 16.

Converting a penalty kick in the last five minutes, H.M.S. Kent scored a close victory over the Lido Recreation Association at Kiaochow Park yesterday in a friendly football game before a crowd of over 1,000 spectators. The Chinese eleven missed a number of chances through slowness in front of the goal. The Navy team played a bustling game. Their defence was strong as both the backs and the three halves gave a sterling performance which at no time allowed Lido to settle down.

H.M.S. KENT:—T. Dickerson, Lovett, D. Dickerson, Blakelock, Knowles, Cogger, Palmer, Goodwin, T. Campbell, Nolan, S. Campbell.

LIDO:—T. Y. Chen, N. L. Meng, Y. H. Tong, V. D. Yung, N. Z. Lee, K. L. Yang, M. S. Chang, Y. N. Shih, K. S. Suen, Z. Klang, Y. T. Tseng.

**Last Minute Spurt**

Shanghai, Dec. 18.

The replayed match between the Seaforth Highlanders and the Association Sportif Francaise at the Canidrome yesterday afternoon produced the best display of soccer seen in Shanghai this season. The score of 3-3, incidentally the first draw in the first division this season, fairly reflects the play of both sides, and was a very satisfactory result to an excellent game. True, the Highlanders left it very late before obtaining the equalizer, but their opponents would surely admit that they did extremely well under the handicap of having three of their players injured during the second half.

The outstanding player of the game was McAloon of the Seaforths who adopted the positions of right-half and an additional centre-half in support of Cheney, who was playing his first game for the first team, and playing very well.

A.S.F.:—Remond; Collet, Neuborg Jesu, Park, J. Ward; Dongworth, Segalin, Roboostoff, Bossuet, Monnot.

Seaforths: — Atkinson; McDonald, Campbell; McAloon, Cheney, Duncan; Adams, McGuigan, Fraser, McShannon, Thompson.

**Recs. Arrested**

Shanghai, Dec. 18.

The Shanghai Recreation Club's soccer team suffered another defeat yesterday when they were beaten by the Police by 6 goals to 4 in a fast and hard fought game. As is reported elsewhere the game was marred by an unfortunate accident to Hurry of the Police within the last few minutes. The Police were by far the taller and heavier team and had an all round advantage, showing far better teamwork than their opponents although the Recs were very unlucky not to equalise the score.

POLICE:—Peasgood, Gibson, Turner, Rader, Westwood, Hurry, Woodley, Ward, Shute, Greenberg, Clarke.

S.R.C.:—Franklin, Golkin, Greenberg, Baker, Symons, Oppenheim, Favacho, Mader, Burenin Markitant, Aldeguer.

Referee, Mr. O. G. R. Beynon.

**Tung Hwa Triumphs**

Shanghai, Dec. 19.

The First Division game at the Canidrome yesterday morning between the East Sursey Regiment and Tung Hwa was, from a football point of view, a disappointment to the 2,000 or so supporters who went there expecting to see a good game. The result of 2-1 in the Chinese team's favour was, on reflection, a good result, their forwards making more of their chances than the soldiers, the latter never being allowed to settle down the forwards incessantly being held at a safe distance by the Tung Hwa halves and backs.

TUNG HWA:—Chow; Tsing, Zee; Ling Tsha, Ting; Chia, Sung, Tai, Wu, Van.

EAST SURREYS:—Hurst; Wheeler, Harrison; Padgett, Jelly, Austen; Parr, McCarthy, Baldock, Walters, Friday.

"N.C.D.N." Photo

**Collet up in The Air**

*Action in front of the A.S.F. goal in Saturday's first division soccer match at the Canidrome when the Seaforths made one of their forceful raids. From left to right: Neuborg, Remond, Collet, McGuigan and Hans Park.*

## Well-known Footballer Badly Injured

Shanghai, Dec. 18.

A well known local soccer player was seriously injured on the Race Course yesterday afternoon when A. Hurry, the popular Police half-back met with an accident.

With only three minutes to go to full time the Recs were fighting hard for the extra goals and play was fast. Out on the right wing Oppenheim of the Recs and Hurry of the Police ran down the line after the ball. Just as they reached the ball the two players collided and fell to the ground. Oppenheim immediately jumped up to continue the play but Hurry rolled over on his back calling for help. The referee Mr. Beynon ran over and found that Hurry's right leg was broken near the ankle. First aid was applied on the field and the injured man removed by ambulance to the Country Hospital.

Hurry who is over 40 years of age is the oldest and most popular member of the Municipal Police soccer team and has been playing regularly since 1923. He served with the King Edward's Horse during the Great War and came to Shanghai soon after to serve in the Police.

It is reported that Hurry's leg is badly fractured and if this is the case it is possible that he may have to retire from active soccer. This is his first illness since joining the Police force and he will be off the active list for a period of about three months.

## *Hongkong Champions To Silkylight*

Shanghai, Dec. 18.

In the record breaking time of 2 minutes 21⅘ seconds, Mr. Eric Moller's Silkylight, with his son R. B. Moller in the saddle, repeated his victory of last year by winning the Hongkong Champions by many lengths at Happy Valley yesterday, the distance being 1¼ mile and the time being 2⅘ seconds faster than the previous record.

## Chess Tournament Commences

Shanghai, Dec. 19.

A large number of chess enthusiasts and interested onlookers watched the first round of the all-Shanghai qualification tournaments in which seventy local players contested 35 matches at the International Chess Club on Wednesday.

2nd "A."—Gavriloff 1, Boidman 0; Ross 1, Yang 0; Toochinsky 1, Kosloff 0; Galkin 1, Karateef 0; Haritonoff 1, Rosenblatt 0.

2nd "B."—Melnikoff 0, Karmiloff 1; Stellingwerff 0, Diniz 1; Orielick 1, Beloff 0; Sereinikoff 1, Shaniavsky 0.

3rd "A."—Favstritzky 1, Chernoff 0; Galkin 1, Polotzky 0; Goretovsky 1, Insicht 0; Snow 0, Lockhart 1; Efimoff 0, Razmazin 1.

3rd "B."—Kosman ½, Ozerinsky ½; Proskurinkoff ½, Krounnik ½; Vinokouroff 1, Rtisheff 0; Kohlhauser 0, Dr. Wrany 1.

4th.—Kobelsky 1, Kastne 0; Ivanoff 0, Tubashnik 1; Fomil ½, Anderson ½; Bonetsky 0, Fuchs 1; Gallevitch 0, Roytenberg 1.

## Cross-Country Run

Shanghai, Dec. 19.

A group of about 20 cross-country enthusiasts had an enjoyable 5-mile practice run yesterday morning starting off at 7 p.m. There was no team competition, the whole affair being a training run in preparation for the coming championship, which will be held sometime in January.

The first to round the home corner were two foreigners, Pte. D. Clements of the East Surreys, and W. Beck. They came in together feeling extremely fresh. The latter runner, a newcomer from Austria, is said to be among the best of the country's long distance runners. He was the runner-up in the 10,000 metres championship in Austria, and looks a very probable threat to the local cross-country and track stars. He said that the Chinese had some very good material running yesterday. Gurbakh Singh occupied the third place, it being his first time out. J. J. Walsh very sportingly kept behind and coached some of the newer runners, and came home in a group with them. The first five Chinese home were J. S. Van, K. F. Lin, W. Y. Wong, Chan, and G. S. Chin.

## Former Shanghai Marine Officer Made Navy Coach

Annapolis, Dec. 11.

Capt. Emory E. Larson of the United States Marine Corps and well-known in Shanghai, was today appointed head coach of the United States Naval academy football team for 1939.

One of the finest football players turned out by Annapolis and an honourable mention in All-American selections in 1921, Capt. Larson was in Shanghai last year.—United Press.

## *Dower Wins British Squash Title*

SPECIAL TO THE "N.C.D.N."

London, Dec. 13.

Mr. C. C. Gandar Dower, of Bath Club, a prominent all-round sportsman, won the amateur squash rackets championship of Great Britain yesterday. He defeated D. I. Burnett, the Army champion, by 2-9, 10-8, 9-6, and 10-8 in one of the most closely contested finals in many years.—Reuter.

## Rugby League Results

SPECIAL TO THE "N.C.D.N."

London, Dec. 16.

Wigan 8, Barrow 7

Dec. 18.

Batley 0, Wigan 8
Bramley 5, Liverpool S. 3
Featherston R. 3, Leeds 28
Halifax 24, Dewsbury 5
Hull K. R. 8, Bradford N. 6
Hunslet 8, Huddersfield 5
Keighley 20, Rochdale 0
Leigh 2, York 8
Oldham 11, Castleford 11
Salford 23, St. Helens Recs 5
St. Helens 22, Broughton R. 6
Wakefield T. 12, Hull 4
Warrington 0, Swinton 5.—Reuter.

## Vindictive Cup Won By H.M.S. Kent

Shanghai, Dec. 16.

For the first time in a long while, the Vindictive Cup for squash rackets has been taken from the Country Club. Put up by the Country Club for challenge, it has remained snugly on the Club's premises as all invaders have been turned back, until yesterday when a team representing H.M.S. Kent won by the odd match in five.

The last match of the competition, on which the outcome depended, was the best of the afternoon being very fast and hard-fought, Cmdr. E. C. Clifford just managing to subdue T. F. MacCabe in four games. The full results were:

H. K. Cassels defeated Lieut. P. J. Milner-Barry 9-4, 7-9, 9-7, 7-9, 9-4.
W. A. Welch lost to Lieut. F. T. Holford 4-9, 10-8, 4-9, 8-10.
F. E. T. Marshall lost to Lieut. J. E. Stevens 6-9, 9-7, 6-9, 7-9.
W. A. Hogarth beat Lieut. P. C. R. Arbuthnot 9-3, 9-5, 9-6.
T. F. MacCabe lost to Cmdr. E. C. Clifford 10-8, 6-9, 5-9, 6-9.

## *Louis to Meet Lewis January 25*

New York, Dec. 16.

The date for the heavyweight championship fight of the world between Joe Louis, the titleholder, and John Lewis, world negro light-heavyweight champion, was fixed for January 25 today when the two men signed a contract to go fifteen rounds in Madison Square Garden.—United Press.

## Tommy Farr Given Severe Beating

New York, Dec. 16.

Lou Nova of California became the outstanding "white hope" tonight when he gave Tommy Farr of Wales the worst beating of the former Welsh miner's eight-year boxing career at the Madison Square Garden.

Nova won the fifteen-round heavyweight bout after almost knocking out the game and rugged Welshman. He achieve what Joe Louis, Max Baer and Jim Braddock could not accomplish—he belted Farr groggy and had him staggering about the ring on the verge of a knockout in the fourteenth round when only the bell saved Farr from his first knockout.—United Press.

## Local Soccer Standings

Shanghai, Dec. 18.

FIRST DIVISION

| | P | W. | L. | D. | Pts. |
|---|---|---|---|---|---|
| Seaforths | 5 | 4 | 0 | 1 | 9 |
| S.M.P. | 6 | 4 | 2 | 0 | 8 |
| Tung Hwa | 6 | 4 | 2 | 0 | 8 |
| S.R.C. | 7 | 4 | 3 | 0 | 8 |
| A.S.F. | 4 | 2 | 1 | 1 | 5 |
| East Surreys | 3 | 2 | 1 | 0 | 4 |
| S.F.X. | 4 | 2 | 2 | 0 | 4 |
| Lusitano | 6 | 1 | 5 | 0 | 2 |
| Aurora | 5 | 0 | 5 | 0 | 0 |

SECOND DIVISION

| | P | W. | L. | D. | Pts. |
|---|---|---|---|---|---|
| P.T.H. | 5 | 5 | 0 | 0 | 10 |
| Russian Regt. | 6 | 5 | 1 | 0 | 10 |
| British Navy | 4 | 4 | 0 | 0 | 8 |
| J.R.C. | 6 | 3 | 3 | 0 | 6 |
| French Forces | 4 | 2 | 7 | 1 | 5 |
| Sokol | 6 | 2 | 4 | 0 | 4 |
| Area Details | 6 | 1 | 4 | 1 | 3 |
| Ching Hwa | 3 | 1 | 2 | 0 | 2 |
| J.A.C. | 6 | 1 | 5 | 0 | 2 |
| Abteilung | 6 | 1 | 5 | 0 | 2 |

## Night Express Wins

Shanghai, Dec. 18.

Night Express scored his third consecutive victory yesterday when the Shanghai Race Club held their Fourteenth Extra Race Meeting, and defeated a good field to win the principal event of the day by a length and a half from Felixstowe, while Rain, the most popular pari-mutuel fancy in the race, was third a length away.

Night Express got off to his usual lead soon after the tape was lifted and was followed by two lengths by Rain while Felixstowe was also two lengths behinds. The field was about four lengths behind Felixstowe. The position was unchanged all the way until opposite the stands where Felixstowe challenged the leaders and passed Rain but could not overtake Night Express. Bober was boxed in all the way and could not find an opening until the last moment when he came with a spirited rush and was fourth.

1.—Race. 11 furlongs.

**Athenian Knight** (So & So) 150 J. B. Lok 1
**White Birthday** (Jumirian) 156 V. L. Xavier 2
**Off Chance** (Anvil) 140 R. Morgan 3
Won by 1½ length; a head.
Time, 3.04⅘ sec.
Forecast Pool Race X2. Winning Combination 6/5. Dividend $262.
Win, $46.60. Places, $14.60, $8, $16.

2.—Race. 9 furlongs.

**Sammy** (Jewell) 158 Gabor Renner 1
**Wet Morn** (Henry White) 158 R. D. Parkin 2
**Going Slow** (E. M. H.) 156 E. B. Cumine 3
Won by 3 lengths; 1 length.
Time, 2.27⅘ sec.
Forecast Pool Race Y2. Winning Combination 4/5. Dividend $96.40.
Win, $22. Places, $7.80, $8.40, $6.40.

3.—Race. 1 mile.

**Claverton** (Jumirlam) 156 V. L. Xavier 1
**Gilt Edge** (Sing Foong) 162 G. V. Cherdynzeff 2
**Morning Glory** (Morning) 147 P. Chen 3
Won by 3 lengths; ¾ length.
Time, 2.14 sec.
Win, $23.40. Places, $8.60, $8.60, $14.20.

4.—Race. 9 furlongs.

**Mercury** (Jewell) 152 Gabor Renner 1
**Port St. Mary** (Manxman) 155 G. P. Gram 2
**Fairy Starling** (G. C. Shaw) 155 F. Noodt 3
Won by 3 lengths; ¾ length.
Time, 2.27⅘ sec.
Forecast Pool Race Z2. Winning Combination 2/1. Dividend $263.20.
Win, $106.40. Places, $10, $5.60, $10.20.

5.—Race. 9 furlongs.

**Sparkfoot** (A. H. George) 152 G. P. Gram 1
**Rochampton** (A. S. Henchman) 158 A. F. Clark 2
**The Swan** (Winsome & Hasty) 155 F. Noodt 3
Won by 2 lengths; many lengths.
Time, 2.28⅘ sec.
Forecast Pool Race A3. Winning Combination 5/4. Dividend $61.20.
Win, $28.60. Places, $7.60, $6.60.

6.—Race. 9 furlongs.

**Night Express** (R. H. McNair) 160 Gabor Renner 1
**Felixstowe** (A. S. Henchman) 156 A. F. Clark 2
**Rain** (Mrs. Jack Liddell) 157 H. Maitland 3
Won by 1½ length; 1 length.
Time, 2.22⅘ sec.
Win, $23. Places, $8, $11.60, $7.

7.—Race. "B" CLASS. 9 furlongs.

**Kanoungtoe** (Hans Luft) 149 R. Morgan 1
**Loch Mhor** (Yulee) 152 G. P. Gram 2
**The Midget** (M. L. B.) 144 R. D. Parkin 3
Won by a neck; short head.
Time, 2.30⅘ sec.
Forecast Pool Race B3. Winning Combination 2/1. Dividend $139.20.
Win, $35.60. Places, $9.80, $8.80, $21.

8.—Race. ¾ mile.

**Sky Raider** (Alliance) 161 S. Y. Sung 1
**Thirteen Black** (R. H. McNair) 148 G. P. Gram 2
**Mimulus** (Dod) 150 John Sparke 3
Won by 1½ length; ½ length.
Time, 1.30⅘ sec.
Forecast Pool Race C3. Winning Combination 6/4. Dividend $81.20.
Win, $11.40. Places, $6.60, $7.80, $8.80.

## Rugby Union Results

SPECIAL TO THE "N.C.D.N."

London, Dec. 14.

Sussex 11, Middlesex 27

Dec. 16.

Dublin Wanderers 8, Oxford Univ. 13

Dec. 18.

Probables 15, Possible At Bridgwater 19
Bath 0, Bridgend 0
Bedford 21, Aldershot Services 5
Birkenhead Park 12, London Scottish 9
Coventry 3, Sale 6
Devonport 10, Plymouth Albion 15
Harlequins 3, Cardiff 21
Leicester 14, Rosslyn Park 5
London Welsh 0, Aberavon 6
Manchester 28, Halifax 12
Neath 19, Bristol 6
Newport 10, Gloucester 3
O. M. T. 8, United Services 8
Richmond 3, Blackheath 13
St Bart's Hospital 5, Old Blues 3
Waterloo 11, Northampton 0
Llanelly 16, Crosskeys 0
Swansea 21, Penarth 0
Weston-super-Mare 3, Pontypool 0
Edinburgh Acas 0, Glasgow Acas 9
Watsonians 37, West Scotland 7
—Reuter.

London, Dec. 18.

Scotland defeated The Rest by 16 points to nil in an International Rugby Union trial match at Selkirk yesterday.—Reuter.

## Giants Win Title

New York, Dec. 11.

Smashing through for a touchdown in the final minutes of the third quarter after trailing 17-16, the New York Giants beat the Green Bay Packers, 23-17, today and won the world professional American football championship.—United Press.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

*SPORTS (Continued)*

## Home Soccer Results

London, Dec. 15.

The replay yesterday between Mansfield and Halifax in the second round of the F. A. Cup resulted in another draw.

Both teams at the end of the match had three goals to their credit and despite the fact that extra time was played no definite decision was reached.

In the first match, played on December 10, the score was one goal all.—Reuter.

London, Dec. 16.

As the result of three replays yesterday in the second round of the F. A. Cup, Stockport, Chester and Yeovil & Petters now enter the third round, to be played off on January 7. The scores were:

Walthamstow 1, Stockport 3
Hull 0, Chester 1
Yeovil & Petters 1, Folkestone 0
—Reuter.

London, Dec. 17.

Following are the results of the League soccer matches played today:—

ENGLISH LEAGUE, FIRST DIVISION

Arsenal 4, Stoke City 1
Astoin Villa 2, Leeds United 1
Blackpool 2, Birmingham 1
Brentford 2, Manchester United 5
Derby County 1, Middlesbrough 4
Everton 1, Charlton Athletic 4
Grimsby Town 6, Leicester City 1
Huddersfield T. 3, Preston North End 0
Portsmouth 2, Chelsea 1
Sunderland 2, Liverpool 3
Wolverhampton W. 1, Bolton W. 1

2ND DIVISION

Blackburn Rovers 4, Plymouth A. 0
Bradford 4, West Bromwich A. 4
Bury 3, Tottenham Hotspur 1
Chesterfield 7, Nottingham Forest 1
Fulham 1, Sheffield United 2
Manchester City 4, Norwich City 1
Millwall 2, Luton Town 1
Sheffield Wednesday 4, Burnley 1
Swansea Town 0, Newcastle United 1
Tranmere Rovers 1, Conventry City 2
West Ham United 1, Southampton 2

THIRD DIVISION (SOUTHERN)

Aldershot 2, Bournemouth & B.A. 1
Bristol City 2, Walsall 1
Clapton Orient 1, Ipswich Town 1
Crystal Palace 6, Mansfield Town 2
Newport County 2, Reading 0
Northampton Town 2, Bristol Rovers 1
Notts County 4, Brighton & H.A. 3
Port Vale 2, Southend United 2
Swindon Town 2, Exeter City 1
Torquay United 1, Cardiff City 3
Watford 4, Queen's Park Rangers 1

THIRD DIVISION (NORTHERN)

Carlisle United 0, Bradford City 2
Crewe Alexandra 0, Hull City 1
Darlington 3, Chester 3
Doncaster Rovers 3, Stockport County 1
Gateshead 0, New Brighton 3
Hartlepools United 1, Barrow 2
Rochdale 2, Barnsley 1
Rotherham United 2, Accrington S. 1
Southport 4, Lincoln City 1
Wrexham 3, Halifax Town 2
York City 4, Oldham Athletic 1

SCOTTISH LEAGUE, 1ST DIVISION

Arbroath 3, St. Johnstone 1
Celtic 3, St. Mirren 2
Falkirk 2, Partick Thistle 5
Hearts 2, Hamilton Acas. 3
Kilmarnock 1, Clyde 4
Motherwell 3, Hibernian 2
Queen of the South 3, Queen's Park 2
Raith Rovers 1, Albion Rovers 1
Rangers 5, Aberdeen 2
Third Lanark 3, Ayr United 2

2ND DIVISION

Airdrieonians 4, St. Bernards 3
Brechin City 2, Dunfermline Athletic 2
Cowdenbeath 6, Edinburgh City 1
Dumbarton 2, Montrose 2
Dundee 1, Alloa 4
East Fife 2, Stenhousemuir 4
Forfar Athletic 2, Dundee United 1
King's Park, Morton, Postponed, ground unfit
Leith Athletic 6, East Stirlingshire 3
—Reuters.

### The League Standings

ENGLISH LEAGUE, 1ST DIVISION

| | P. | W. | D. | L. | F. | A. | Pts. |
|---|---|---|---|---|---|---|---|
| Derby | 20 | 13 | 3 | 4 | 40 | 22 | 29 |
| Everton | 19 | 13 | 1 | 5 | 36 | 26 | 27 |
| Liverpool | 19 | 8 | 7 | 4 | 34 | 26 | 23 |
| Wolverhampton | 19 | 8 | 6 | 5 | 29 | 15 | 22 |
| Middlesbrough | 19 | 9 | 4 | 6 | 42 | 31 | 22 |
| Charlton | 19 | 9 | 4 | 6 | 26 | 23 | 22 |
| Leeds | 19 | 9 | 3 | 7 | 35 | 35 | 21 |
| Grimsby | 19 | 7 | 7 | 5 | 28 | 26 | 21 |
| Bolton | 19 | 6 | 7 | 6 | 29 | 27 | 19 |
| Aston Villa | 19 | 8 | 3 | 8 | 31 | 29 | 19 |
| Arsenal | 19 | 6 | 7 | 6 | 24 | 20 | 19 |
| Blackpool | 19 | 6 | 6 | 7 | 27 | 30 | 18 |
| Portsmouth | 19 | 6 | 6 | 7 | 21 | 30 | 18 |

SECOND DIVISION

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Blackburn | 20 | 12 | 2 | 6 | 48 | 27 | 26 |
| West Brom. | 20 | 12 | 2 | 6 | 54 | 39 | 26 |
| Sheffield U. | 19 | 10 | 6 | 3 | 33 | 20 | 26 |
| Newcastle | 20 | 11 | 3 | 6 | 39 | 25 | 25 |
| Fulham | 20 | 9 | 6 | 5 | 34 | 24 | 24 |
| Coventry | 19 | 10 | 4 | 5 | 29 | 24 | 24 |
| Tottenham | 19 | 8 | 6 | 5 | 34 | 28 | 22 |
| Sheffield W. | 19 | 8 | 5 | 6 | 45 | 33 | 21 |
| Manchester | 19 | 9 | 3 | 7 | 45 | 39 | 21 |
| Millwall | 19 | 8 | 4 | 7 | 36 | 28 | 20 |
| West Ham | 20 | 8 | 3 | 9 | 39 | 32 | 19 |
| Luton T. | 19 | 8 | 3 | 8 | 34 | 34 | 19 |
| Chesterfield | 19 | 8 | 3 | 8 | 32 | 31 | 19 |

THIRD DIVISION (SOUTHERN)

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Newport | 18 | 12 | 4 | 2 | 28 | 9 | 28 |
| Crystal Palace | 17 | 10 | 5 | 2 | 33 | 20 | 25 |
| Aldershot | 18 | 9 | 6 | 3 | [illegible] | 17 | 24 |
| Reading | 19 | 7 | 8 | 4 | 31 | 23 | 22 |
| Swindon | 17 | 9 | 3 | 5 | 30 | 22 | 21 |
| Queen's P.R. | 17 | 7 | 5 | 5 | 36 | 24 | 19 |
| Brighton | 17 | 8 | 3 | 7 | 30 | 28 | 19 |
| Northampton | 18 | 8 | 3 | 7 | 28 | 30 | 19 |
| Bristol City | 18 | 7 | 5 | 6 | 31 | 31 | 19 |
| Watford | 18 | 6 | 6 | 6 | 25 | 25 | 18 |
| Mansfield | 17 | 6 | 5 | 6 | 23 | 32 | 17 |
| Cardiff | 17 | 6 | 5 | 6 | 26 | 25 | 17 |
| Notts C. | 17 | 6 | 5 | 6 | 25 | 22 | 17 |

THIRD DIVISION (NORTHERN)

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Barnsley | 19 | 12 | 3 | 4 | 42 | 21 | 27 |
| Southport | 17 | 10 | 6 | 1 | 40 | 15 | 26 |
| Doncaster | 18 | 10 | 5 | 3 | 40 | 23 | 25 |
| Oldham | 19 | 11 | 2 | 6 | 41 | 29 | 24 |
| Crewe A. | 18 | 10 | 1 | 7 | 37 | 27 | 21 |
| Bradford City | 19 | 10 | 3 | 6 | 33 | 24 | 23 |
| Hull City | 18 | 8 | 4 | 6 | 31 | 29 | 20 |
| Chester | 17 | 8 | 3 | 6 | 40 | 35 | 19 |
| Stockport | 17 | 8 | 4 | 6 | 36 | 23 | 20 |
| New Brighton | 19 | 8 | 3 | 8 | 26 | 33 | 19 |
| Barrow | 19 | 9 | 2 | 8 | 37 | 37 | 20 |
| Rotherham | 19 | 9 | 0 | 10 | 37 | 33 | 18 |
| Gaetshead | 18 | 6 | 4 | 8 | 34 | 31 | 16 |

## Nova May Fight Max Baer in February

New York, Dec. 17.

A fifteen-round bout between Lou Nova and Max Baer at the Madison Square Garden on February 24 was considered today by Mike Jacobs, world's leading boxing promoter.

Nova and Baer were virtually assured of the possibility of the winner of their bout meeting Joe Louis, world heavyweight champion, for the title in June or September.

The bout between Nova and Baer was arranged because of Nova's victory over Tommy Farr last night. The youthful Californian almost knocked out the tough and experienced Welsh miner. After knocking him down in the fourteenth round he failed to send in the fatal blows in the fifteenth and final round because he had shot his bolt in the previous round.

Both Nova and Baer are Californians and were earlier considered as possible opponents for Louis in a world title bout which was to have been staged by the San Francisco World Fair authorities. Although arrangements were started for such a bout, the California authorities recently called the bout off.—United Press.

## *Australian Test XI Draws with Rest*

SPECIAL TO THE "N.C.D.N."

Melbourne, Dec. 14.

The special match between Australia and the Rest, to mark the centenary of the Melbourne Cricket Club, ended yesterday in a draw. The Rest, batting first, made 215, to which the Australia Test team replied with 426. Don Bradman contributed 118 and McCabe 105. At the close of play The Rest had made 324 for eight in their second innings.—Reuter.

## Ice Hockey League

Boston, Dec. 18.

The powerful Boston Bruins forced another link in their winning chain in their campaign to snatch the national professional ice hockey championship this season by trouncing the Detroit Red Wings, 2-0, tonight.

The brillian victory was all the more notable for it marked the fifth shutout win scored by the Bruins since they acquired Frank Brimsek, rookie goalie. It was the fifth shutout victory in the six games that Brimsek has played.

The Chicago Black Hawks tonight tore the defence of the New York Rangers to shreds and sent the puck in for five goals without allowing the New Yorkers to reply once.

Continuing to show their improved form, the New York Americans thrilled a large crowd at the Madison Square Garden by beating the Montreal Canadiens, 5-2.

With the game fast coming to a close and with the score tied, 2-2, the Amerks broke loose and netted the puck three times in rapid succession. —United Press.

## Sea Biscuit Held For Widener Cup Race

San Francisco, Dec. 17.

Charles S. Howard, owner of the turf handicap champion, Sea Biscuit, today said that he would wait until January 4 when weights are posted for the U.S.$50,000 Widener Cup race at Hialeah, Florida, before deciding whether he would send his star to the post.

In the U.S.$100,000 Santa Anita Handicap race, Sea Biscuit drew the top weight of 134 pounds, the heaviest imposition he ever has been called upon to carry.—United Press.

## Netherlands Girl Again Sets Backstroke Mark

Amsterdam, Dec. 19.

Irene van Feggelen, of Holland, established a world record for the 200 metres back stroke, with her time of two minutes and 39 seconds, set up yesterday.

The previous record was also held by Miss van Feggelen, with two minutes and 40.6 seconds.—Reuter.

## Armstrong in Serious Condition

Sydney, Dec. 19.

Warwick Armstrong, famous former Australian cricket captain, is seriously ill.

He is suffering from pneumonia and pleurisy.—Reuter.

# *SHANGHAI LAW REPORTS*

## H.M. Supreme Court

### Woman's Petition

MRS. A. Y. PERRY *vs.* HERBERT PERRY

COUNSEL: Mr. J. R. Jones for Respondent.

*Before Sir Allan Mossop, Judge*

(Not Ganted)

Shanghai, Dec. 14.

On the grounds that she had certain debts which she wanted her husband to pay, a petition for separation which had been brought by Mrs. Anna Yakovlevna Perry against Mr. Herbert Perry in H.M. Supreme Court some time ago was brought on the lists again yesterday.

It was pointed out in court by Mr. J. R. Jones, representing Mr. Perry, that there had been a deed of separation between the two parties which was being observed by both. Mrs. Perry applied for a separation in court but Judge Sir Allan Mossop decreed that as she had entered into a separation deed he could not vary the terms of the agreement and could not allow the previous case to be restored unless there was breach of the agreement by respondent.

### Journalist's Claim

KURT STEINER *vs.* I. F. FEARON

COUNSEL: Dr. P. V. E. Terni for plaintiff.

*Before Judge P. Grant Jones*

(Judgment for Plaintiff)

Shanghai, Dec. 16.

Stating that the conditions under which he was supposed to work were impossible, thus forcing him to resign his position, a Shanghai journalist, Mr. Kurt Steiner, appeared as plaintiff in H.M. Supreme Court yesterday before Judge P. Grant Jones when he brought a claim against Mr. L. F. Fearon, publisher of the "Evening Echo," for $94.18, being 12 days' salary, and court costs.

Defendant did not appear in court and plaintiff, represented by Dr. P. V. E. Terni, told the court how he met Mr. Fearon in June before the original publication of the "Evening Echo." At the end of October, he stated, he received a telephone call from Mr. Fearon asking witness to meet him at the offices of the newspaper in the Central Arcade.

Defendant then offered him a position on the publication to write headings—"Which are usually most misleading" remarked the Judge—and cover the city news. Witness began work on November 3, the arrangement being that he should receive $250 as salary for the first month. He ceased to work for the newspaper on November 15.

During the time of his employment, witness stated that he informed Mr. Fearon of the inadequacy of the editorial offices there being only three typewriters for a staff of five. "When I joined" he continued "I discovered I was running the paper." There was no telephone in the office, merely an extension from the "China Press." It was impossible to carry on as the office was not heated and was dangerous to the employees, he added.

Due to irregular payments to the printers of the "Evening Echo," witness continued, the publication often appeared on the streets late and defendant had admitted that he was in arrears regarding payments to the printers, who were the International Corporation, printers of the "China Press."

On November 15 witness went to the business offices of the newspaper and typed a letter to Mr. Fearon resigning his position and asking for the salary due to him. In a telephone conversation defendant promised to pay the money on the following day. On November 17 another letter was sent and a reply was received stating that the money would be paid when the "Evening Echo's" account would be credited with expected funds.

Plaintiff added that it was impossible to assume responsibility for the reporters in the cold room and he had asked for an electric stove or, failing that, a kerosene stove. To this defendant had replied that he would send witness a warm coat. The offer, however, was not accepted. At this stage the Judge jocularly remarked "Perhaps if there was a little more discomfort in these offices more sense would be written."

Judgment was awarded to plaintiff for $94.18 with $11.25 court fees and $20 lawyer's fees.

## H.M. Coroner's Court

### Found Dead in Apartment

INQUEST ON SOLOMON HYEEM LEVY

*Before Mr. I. T. Morris, Acting Coroner*

(Verdict: Death from Natural Causes)

Shanghai, Dec. 17.

A verdict of death from natural causes due to cirrhosis of the liver was returned at an inquest held in H.M. Coroner's Court yesterday before Mr. I. T. Morris, H.M. Coroner, on the body of Solomon Hyeem Levy, a Jewish British subject, who was found dead in his apartment at 815 Avenue Road on December 12.

The inquest was formally opened and adjourned on December 12, evidence of identification having been given by Ezekiel Myer, keeper of the Jewish Cemetery at 724 Baikal Road. The first witness at yesterday's enquiry, Dr. I. G. Anderson, stated that he had conducted a post mortem on the body of the deceased and had found that he had been suffering from cirrhosis of the liver. The stomach was in a congested condition common to alcoholics. Death was due to his condition which was the commonest case of chronic alcoholism.

Reuben Joseph Moalem, Assistant-Secretary of the Jewish Communal Association, told the court that the Association had helped deceased financially from time to time. He knew that Levy had been sick and had been in hospital and when witness visited him at about 6 p.m. on December 11 he tried to persuade him to enter hospital again, but Levy refused. Thereupon witness told him that if he did not enter the hospital voluntarily he would be forced to go.

At 2 a.m. on December 12, witness continued, the children of the Chinese landlord of the apartment occupied by deceased told him that Levy had died. After enquiries he reported the matter to Sinza Police station.

Tsang Suh Pen, the landlord, stated that deceased had lived at 815 Avenue Road for about four years, occupying a small room on the first floor. A month ago he had gone to the Jewish Hospital near Seymour Road and a week before he died he had complained that he was feeling unwell.

On the night of December 10 deceased borrowed a dollar from witness' wife and sent the children out to buy some brandy which they purchased at 691 Avenue Road. At 1 a.m. on the morning of December 12 deceased witness was checking some books in his room when he heard a noise from above.

Opening Levy's room he discovered that he was lying halfway out of bed with his head hanging down towards the floor with a glass tumbler in his hand. As witness put him back on the bed the tumbler fell to the floor and broke. As he looked to be unconscious witness left the room, returning about ten minutes later to find that deceased did not answer to his name. He immediately sent his children to Mr. Moalem.

### Finding of Nurse's Body Described

INQUEST ON MISS JEAN MCLEAN MARTIN

*Before Mr. I. T. Morris, Acting Coroner*

(Adjourned)

Shanghai, Dec. 18.

The inquest on the body of Miss Jean McLean Martin, late matron of the Shanghai Municipal Police hospital, who died on December 11, after falling from the roof of the hospital building, was resumed before Mr. I. T. Morris, H. M. Coroner, in the British court yesterday, when a number of witnesses gave evidence.

Dr. I G. Anderson, who performed the post-mortem, confirmed his report to the court, whilst Assistant Warder E. A. Kalashnikoff said that a Chinese came to him shortly after the body had fallen on to the roof of the hospital garage and told him about it. Witness immediately proceeded to the scene and soon afterwards requested Warden No. 3 to get in touch with Wayside Police Station. He found the foreign woman lying on her back in a pool of blood, with the head facing the police hospital building.

A few minutes later, the witness continued, Dr. Hau, a medical doctor attached to the Prison hospital, arrived on the scene. Asked as to the exact time of his discovery, witness stated that he did not know but that soon after he had arrived at the scene he was asked what time it was and that he then looked at his watch to find that it was 10.12 a.m. He remained near the victim until the ambulance and detectives arrived to take the body away.

Warder No. 12, John Shute, told the court that he was walking from the gate to the keys office at about 10 o'clock on Sunday morning, when he met Kalashnikoff who was running in the opposite direction. He informed him of the discovery of the body whereupon witness joined Kalashnikoff. Senior Warder Hutter instructed both, according to the witness, to proceed to the scene and to investigate. Dr. Hau arrived soon afterwards and after feeling the pulse of the deceased, said that she was dead.

Dr. Yau Ming Hau next gave evidence and said that he was on the staff of the Public Health Department attached to the hospital. He told the court that at about 10 a.m. on December 11, he was called by a foreign warder to attend a foreign woman that had fallen from the hospital. He proceeded to the compound and found the victim who had presumably fallen from the building on to the roof of the garage. Blood was running out of her ears and nose and after feeling the pulse and the heart, he found that life was apparently extinct. He found several multiple fractures in legs and arms. Witness stated that he remained with the body until a Fire Brigade ambulance removed it.

Sua Singh, a warder at the Ward Road Gaol said that he had arrived at the hospital door shortly before 10 o'clock to relieve warder No. 216. He had instructions to let no-one pass with the exception of members of the hospital staff and P.W.D. employees. At about 9.45 a.m., he went on to say, he saw a foreign lady arrive whom he had never seen before. She came on foot and was stopped by him. She told him that she was on the staff of the hospital whereupon he let her pass. She then took the lift. Soon afterwards, Warders Shute and Kalashnikoff ran toward the garage and he heard them say that a foreign woman was lying there. Asked whether he heard any scream or noise, he answered in the negative. Witness was not able to describe the clothing worn by the deceased but said that she was not wearing a uniform.

The Coroner then adjourned the inquest until December 20.

## U.S. Court for China

### Breach of Contract Case

A. A. VINOKOVROFF *vs.* AMERICAN TRADING CO.

COUNSEL: Mr. P. F. Kops for defendants, Mr. C. S. Franklin for plaintiffs.

*Before Judge M. J. Helmick*

(Case adjourned)

Shanghai, Dec. 14.

Judge M. J. Helmick yesterday afternoon adjourned a case for breach of contract brought in the United States Court for China by Mr. A. A. Vinokovroff against the American Trading Co. after an all-day session.

Mr. Vinokovroff claims an indemnity of U.S.$1,000 for alleged breach of contract in connection with an indent-order for two tons of cocoa butter which he had placed with the defendants on August 12, 1937.

In the witness-box, Mr. Vinokovroff said that he had lived in Shanghai since 1932 and was engaged in supplying various commodities to bakeries and confectioneries in this city. He had placed an order with the defendant's firm as he expected to sell the cocoa butter during the Christmas season which is the best in this particular commodity, the price falling off considerably in February of each year. In his testimony, witness claimed, that he had never been told that the shipment was stopped by cable on August 18, 1937, following the outbreak of hostilities locally and that he only knew of the non-compliance with the terms of delivery as stipulated in the contract when the steamer, which he was told would bring the cargo to Shanghai, arrived here without it.

A number of letters were written by the plaintiff to the defendants asking for a compensation as he could have made a good profit had the merchandise arrived in time. Mr. J. B. Bell, who often acted on behalf of the American Trading Co. in securing business, was alleged by the plaintiff to have himself corrected a draft for such a letter before it was sent to the defendants on November 17, 1937.

In May of this year, witness continued, he wrote another letter to the American Trading Company in which he emphasized that unless $3,000 were paid as compensation for non-observance of contract, within one week, he would have no alternative but to let the matter go to court.

The defendants in turn replied that they demanded of Mr. Vinokovroff to take immediate delivery of the cargo which has since reached Shanghai and that they would hold him responsible for the payment of these goods.

Mr. P. S. Gilman, agent of the American Trading Co., told the court that, on August 18, he cabled all his branches in the United States and Europe temporarily to suspend all shipments for Shanghai in view of the hostilities.

Mr. P. F. Kops, attorney for the defence, then asked the court to dismiss the case as the delay in delivery was caused by *force majeure* and consequently came under the ruling of one of the conditions of the sales-contract.

Mr. C. S. Franklin, on behalf of the plaintiff, told the court that there was no difficulty in trans-shipping the cargo in Hongkong and that only a delay of about one week would have been caused. In substantiation of this contention, he called Mr. H. R. Semmelink, assistant manager of the local branch of the Java-China-Japan Line, to the witness box, who said that in view of the fact that the quantity of the cargo was very small he believed that there would have been no difficulty in shipping it from Rotterdam after the hostilities had started and that according to past experience it would have taken about one week to effect the trans-shipment at Hongkong.

Mr. D. L. R. Mair, another witness for the plaintiff, who is with the

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

China Navigation Co., said that accommodation for two tons of merchandise could have been found on ships of his company who had never interrupted their regular service to Hongkong.

The case was then adjourned, after an employee of the defendant's firm was questioned and cross-examined.

### Divorce Petition

STUCKGOLD *vs.* STUCKGOLD

COUNSEL: Mr. H. D. Rodger for applicant.

*Before Judge M. J. Helmick*

(Divorce Granted)

Shanghai, Dec. 17.

A divorce was granted to Mr. Harry Morris Stuckgold by Judge M. J. Helmick in the United States Court for China yesterday afternoon, the action not having been defended by Mrs. Margaret Elizabeth Stuckgold now believed to be residing in the United States. Mr. H. D. Rodger appeared for the plaintiff.

## First Special Court

### Narcotics Maker Sent to Prison

Shanghai, Dec. 13.

Charged with manufacturing narcotics, Zung Chun-chuen was sentenced to three years' imprisonment yesterday by the First Special District Court. Zung was the leader of a large narcotic ring which was broken up by the Settlement police three years ago.

Zung's narcotics plant had been in existence in a house in Rue Bourgeat in the early part of 1935. It was later moved to the servants' quarters of the Lucerne Road residence of Mr. P. S. Hopkins, former president of the Shanghai Power Company, where six men were arrested and convicted later in court. The crime was committed during Mr. Hopkins' absence on furlough.

The accused fled to Hankow. He recently arrived here only to be arrested by a Chinese detective near Foochow Road. He denied the charge, but the strong evidence produced by the police convinced the judge of his guilt.

### Forger Sentenced

Shanghai, Dec. 13.

Convicted of having obtained a part of the $50,000 fraudulently drawn out from the Shanghai office of the National City Bank of New York, two Chinese employees of the bank, Liu Yoeh-hsien and Wang Kung-mou, were sentenced to six months' and three months' imprisonment respectively by the First Special District Court yesterday.

The big forgery is alleged to have been committed by a third Chinese employee of the bank named Hu Chi-feng, who is believed to have fled to an outport. By forging the signature of a rich customer of the bank named Chang, Hu is alleged to have cashed several cheques and absconded.

Before carrying out his plan he consulted the two accused, each of whom received several hundred dollars from him. The crime was discovered on November 23 when Mr. Chang came to the bank to investigate after his servant had failed to cash a cheque signed by himself. There was not enough money to meet his wish and his suspicions were at once aroused.

### Sergeant Charged with Extortion

Shanghai, Dec. 14.

Chang Tuh-seng, Chinese detective sergeant attached to the Bubbling Well Police Station, was brought before the First Special District Court yesterday charged with extortion by his colleagues. A man named Koo Chi was charged with aiding and abetting. Chang denied the charge but the alleged accomplice admitted that he had been instructed by Chang to collect the money from their victim. The hearing was postponed for a week.

The case dates back to December 9 when Chang visited a godown at 95 Mandalay Road owned by the plaintiff Tang Kung-foh who is also the owner of a motor accessory shop at 291 Weihaiwei Road. Claiming that Tang had illegally bought three trucks, Chang took him to his station, questioning him as to the origin of the cars. Chang is alleged to have told the car owner that he (plaintiff) would be turned over to the Japanese who might execute him for having bought trucks from the defunct Shanghai District Salvation Corps.

The accused detective was alleged in court to have demanded $5,000 in order to hush up the matter. He was promised more than $2,000. He named the second accused as the guarantor for the fund. The second accused is alleged to have actually obtained cash and given the lion's share to his detective friend. The sum actually obtained, however, was less than $2,000. When the accused detective himself went again to his victim to collect more money he found his colleagues waiting for him in a back room of the Weihaiwei Road shop.

### Chinese Charged with Murder

Shanghai, Dec. 13.

Charged with murder Hsu Kwan-chuan was sentenced to 14 years' imprisonment yesterday by the First Special District Court in connection with the fatal chopping with an axe of a male relative of his go-between just before his marriage to a widow. The crime was committed on November 23. Hsu was also sentenced to pay $3,840 to the widow of the deceased.

The murder was committed in Robison Road where Hsu was to have married a Mrs. Chen who fled to Shanghai some months ago from Wusih as a refugee following the death of her husband. Having accepted the marriage proposal from Hsu, she asked for a wedding gift. They disagreed on some points as to the quality of the gift and the sum of money to be spent. In a quarrel the woman is alleged to have boxed Hsu's ear.

Hsu blamed Chien Chian-ching, one of the go-betweens for the trouble and after gathering about him several friends he went to Chien's home to start another brawl in which Chien's relative Wang Shan-dai was fatally chopped with an axe. The police are still looking for Hsu's accomplices. For the arrest of Hsu the credit goes to officers attached to the Pootoo Road Police Station.

### Commission Claimed

Shanghai, Dec. 14.

The claim for $112,500 commission made by a Pole named S. J. Delewski against the Kwang Wha Petroleum Company, a former Chinese oil firm in Shanghai which was sold to the Standard Oil Company of New York through the alleged introduction of the claimant, was denied yesterday in the First Special District Court by the lawyer for the defence. The counter claim was that the plaintiff had nothing to do with the deal.

The Pole recently filed a civil action against the Chinese oil company stating that through his efforts the company was able to dispose of its properties valued at more than $4,000,000 in May of 1936. He alleged that the Chinese firm had failed to pay him the 2.5 per cent. commission verbally promised by the manager King Chien-kun, who is believed to be now living in an outport.

As the case is a rather complicated one involving a large sum of money, and in the absence of the manager of the Chinese firm, the court did not reach a decision yesterday postponing the hearing to the next spring when investigations are expected to throw some more light on the case.

### More Suspects Taken by Police

Shanghai, Dec. 14.

In addition to ten men and five women in whose possession two hand grenades were found, officers attached to the Yulin Road Police Station arrested seven other criminal suspects and arraigned them before the First Special District Court yesterday applying for a writ of detention. The newly arrested seven persons in whose possession one pistol and 41 rounds of ammunition were found will be heard together with the 15 persons already in custody.

The 15 suspets were charged early in the week with offences against public order only but the police asked for more time to investigate them, which request was readily granted by the judge. It was revealed in court yesterday that some of the newly arrested persons were involved in an armed robbery committed at 137 Pakhoi Road. Meanwhile, the police are still looking for other suspects belonging to the same gang which may also have been engaged in terrorist activities.

Four other men, who were last week charged on 11 counts of robbery, appeared again yesterday and remanded in custody for a week pending further investigations. They were alleged to belong to a gang of robbers specializing in victimizing pleasure seekers during curfew hours.

### Forged Certificates

Shanghai, Dec. 15.

Many tax certificates indicating that goods to be exported from Shanghai are fully taxed by the Consolidated Tax Bureau of the "Reformed Government" in Kiukiang Road are forged ones. This was brought to light yesterday in the First Special District Court when Tso Meng-lien who, was alleged to have sold such forged documents, was brought up for trial.

The Settlement police are paying serious attention to the case because the tax bureau of the new regime levies the tax on many important commodities including tobacco, wine and piece goods and in the case heard yesterday a piece goods merchant was involved as a victim. Fearing that there might be more similar cases the police asked the court to postpone the hearing sine die to enable them to make more investigations. The request was granted.

It was revealed in court that the Li Shing Cloth Weaving Factory in Lane 175 Yengping Road recently wanted to export a large quantity of piece goods from Shanghai. The manager found it hard to obtain the consolidated tax certificates and asked an assistant to purchase some spare ones from any fellow merchant. The assistant bought some of these documents from the accused in the Cotton Cloth Merchants Association in Shansi Road. He paid $110 for them, not realizing that the documents were forged.

When the certificates were presented to the tax bureau it was easily found out by officials there that they were forged. The tax bureau wanted to impose a heavy fine on the victimized merchant who fortunately, however, met the accused the other day in the street and after catching him sent him to the Louza Police Station. An accomplice is believed to be at large.

### Robbers Sentenced

Shanghai, Dec. 15.

The leader of a gang of five robbers who stole money and jewellery from a Chinese living in an unnumbered house in Hochien Road in Yangtszepoo on August 22 was sentenced to life imprisonment yesterday by the First Special District Court. The sentenced man, Woo Yu-zee, was not only charged with the robbery but was also with raping the concubine of the victim.

Three accomplices were given prison terms ranging from seven to nine years. A Mauser pistol, one dagger and two bayonets which were found in the possession of the accused were confiscated.

### Attempted Heroin Sale

Shanghai, Dec. 16.

One year's imprisonment was the judgment given yesterday by the First Special District Court to three Russians who last week tried to sell a large quantity of imitation heroin to a police informer. Their names are Georgy S. Anisimoff, Genady C. Von Arnold and Deo N. Primortzeff.

Their two Chinese accomplices, Miao Vee-hung and Woo Wei-ling, were given one year and six months respectively on charges of possession of heroin and attempted fraud.

Anishimoff was extradited to the French police as at the time of his arrest a quantity of opium was found in his French Concession home.

The unsuccessful transaction was held in a house in Connaught Road where the police informer was shown some sample packets containing genuine heroin. Pretending to be buying the drug, the police informer agreed to buy 25 ounces of heroin with $2,000. At the time of delivery, Detective Sub-Inspector J. Y. Hillhouse intervened and arrested the accused. The five accused were found to have presented valueless powder instead of heroin at the time of delivery.

### Suspected Robbers

Shanghai, Dec. 18.

Eleven out of about 90 criminal suspects arrested by the Settlement police some weeks ago were brought before the First Special District Court yesterday on a writ of detention. No charges have yet been framed against them but it is understood that at the next hearing they will probably be charged with armed robbery.

The men were alleged to have committed an armed robbery at 34 Peiho Road on October 22 when they are alleged to have made off with $270 in cash and valuables. One Mauser pistol, three pistols and more than 100 rounds of ammunition were seized from the gang. The police are still investigating the other arrested suspects, most of whom, however, are believed to have been released.

### Marriage Tangle

Shanghai, Dec. 16.

A fashionably dressed Chinese girl who was married only four days ago appeared in the First Special District Court yesterday to witness a hearing in which her husband was questioned by the judge in regard to a charge of "double marriage" made by a woman who claimed to have been married to the man last year. The accused husband was released on bail at the request of the police, who wanted the accusing woman to produce more evidence.

The chief character in the case is the 24-year old manager of a motor car repair shop in Weihaiwei Road named Hsu Kai-ming. He was said to have lived with the accusing woman for many months during which, however, they often quarrelled. Recently the woman found out that he had fallen in love with another girl, Miss Chao Ching-mei, whom he married in a wedding ceremony held in a restaurant in Hankow Road.

Shortly before midnight on Dec. 14, the woman went to the Taku Road residence of the newly married couple and, after ascertaining that her "husband" was with another woman, she ran to the Chengtu Road Police Station and told the officers there that her "husband" was having illegal relations with another girl. The police went to the new residence and arrested the newly married couple. The arrested man told the police, however, that the accusing woman had never been married to him. In court the accusing woman could not produce a wedding certificate, while the newly married couple showed their document.

### Revenge Murder Attack

Shanghai, Dec. 16.

The attempted murder committed on December 12 in Avenue Edward VII when a Chinese merchant Li Hung-shing was shot three times by a man who was arrested on the spot was an act of personal revenge resulting from jealousy in business rivalry. This was revealed in the First Special District Court yesterday when three men, including the would-be assassin himself were brought up for trial. The attacker admitted that he had shot Li but the two other accused denied knowledge of the murder plot. The hearing was postponed to December 24.

The would-be assassin told the court that he was given the pistol by a man named Chao who is at large. He was told that the man he was to shoot was a bad man. He steadfastly denied that he knew any of the other two accused. One of the two other accused who was alleged to be the instigator said that he was a good friend of the victim of more than 10 years' standing, and that since he was unemployed he often obtained financial assistance from the victim. He would never ask a man to shoot such a friend.

The third accused said that he worked under the victim and that it would be "unnecessary" to shoot his superior. The would-be assassin was alleged by the prosecution, however, to have stated at the police station that he was asked to commit the crime by the other two accused. The victim was said to be an employee of a match factory. He was also alleged to have told the police that his instigators were business rivals of the victim in trying to get the control of some wharves in Pootung.

The victim himself could not appear in court yesterday since he was still lying in hospital suffering from bullet wounds in the neck and side. Some other accomplices are believed to be still at large.

### Gang Charged with Extortion

Shanghai, Dec. 20.

On suspicion that they extorted money from victims by posing as police detectives, a Russian named Boris Konaiff and three Chinese were brought before the First Special District Court yesterday on a writ of detention. Two other Chinese were arrested last week in connection with the same case and they will all be heard next week.

It was alleged by the prosecution that the detained men rrecently collected $120 from a sing song girl in Wai Lo Alley, Foochow Road, as hush money by posing as police detectives searching for opium. It so happened, it was alleged, some opium was actually found in the possession of the girl and therefore at the suggestion given allegedly by the Russian accused the money was paid. The Russian at first demanded $5,000, it was revealed by the prosecution.

The police have requested the court to postpone the hearing believing that they might be involved in other similar cases, it being alleged that the same men might have recently victimized a resident at 32 Yen Ching Alley, Amoy Road and a Mr. Tso in Chungking Road from whom they obtained $800 by playing the same trick.

While all the detained Chinese are loafers, the Russian is said to be a salesman of a studio in Bubbling Well Road where he was arrested.

## Second Special Court

### Long Sentence

Shanghai, Dec. 20.

Tang Yung-ching who was recently brought before the Second Special District Court and charged with murder in connection with the killing six years ago of his alleged accomplice, an opium smuggler, following a dispute over the question of distribution of opium money has now been sentenced to 15 years' imprisonment. Tang has signified his wish to appeal against the judgment.

Tang, it will be recalled, was trapped unexpectedly on October 23 when travelling in a junk from Pootung where he had been hiding. He was discovered to be the instigator of the crime by the wife of one of the sentenced men who rowed the boat. The alert junk woman kept quiet until her boat reached the French Bund where she told her story to the French police who effected Tang's arrest.

The junk woman's husband, Tao Yung-chang, was sentenced to 20 years' imprisonment long ago, charged with the murder, and since her husband's imprisonment the woman has been rowing boats to earn her living. Charged with the same crime, another man named Hsu Chang-Yuan was sentenced to 13 years' imprisonment.

The murder was committed in a house in Rue des Deux Republiques where the victim Tsao Ah-kwong was playing mah jongg with some friends on June 28, 1933. Tang and the two other sentenced men broke into the room and opened fire, killing Tsao outright. They escaped but Tao and Hsu were arrested later. It was revealed in court that all of them were members of an opium smuggling gang operating along the French Bund and that they were angry with their victim because he had "squeezed" $3,000 opium money.

## Second High Court

### Terrorist's Sentence Reduced

Shanghai, Dec. 15.

The life imprisonment sentence passed sometime ago by the First Special District Court on Yang Chia-chu, head of the general department of the Asia Development Society, an anti-Chinese terrorist gang formerly operating in Hongkew for his implication in the brutal murder of Tsai Teau-tu, late manager of the closed "China Social Evening News" whose decapitated head was found in a French Concession street many months ago, has been commuted into a seven-year prison term.

Yang received a lighter sentence as a result of his filing an appeal with the Second Branch Kiangsu High Court which changed the decision made by the lower court in favour of Yang. Two other members of the same society who also appealed against two three-year prison terms imposed upon them by the lower court were not pardoned and they are to serve three years in gaol.

During the previous hearings, it was revealed that the Chinese newspaperman was lured to go to Hongkew where he was invited to dinner in the New Asia Hotel. After the dinner he left and a day later his decapitated head was found in the Concession with a note warning people taking anti-Japanese attitude attached to it. The police produced strong evidence against the accused who allegedly plotted the whole affair. One of Yang's accomplices was said to be a neighbour of the late Mr. Tsai.


# History in the Making

## Shanghai Week by Week

In days to come, reviewing the events of to-day, scenes which one feels are unforgettable, one may nevertheless fail to recall dates and incidents. Arguments will arise which can hardly be settled without reference to some succinct authority such as the files of the "North-China Herald." Compact, convenient in size, it provides a record of these events, editorial comment, pictures and cartoons which vividly reflect current happenings and will recall the mood of the moment.

As a gift to Shanghailanders absent at the time, the "Herald" is invaluable. Single copies, 40 cents; a month's subscription, including postage, $2.50. Send your name and address to the Circulation Department, "North-China Herald," 17 The Bund.

NORTH-CHINA DAILY NEWS & HERALD, LTD.

17 THE BUND TELEPHONE 11055


Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## FOREIGN TELEGRAMS

# Reprisals Against Japan

### Measures to Counter Japanese Restrictions On Foreign Trade in China Canvassed

London, Dec. 13.

ECONOMIC reprisals against Japan for freezing out of foreign trade interests from China are being seriously considered in London and Washington, says the Diplomatic Correspondent of the "Daily Herald" today. Reports from the Ambassadors of both countries in China, he adds, have indicated for some time that Japan is deliberately destroying all foreign trade competition.

For some time, declares the correspondent, experts of the United States Department of Commerce and the Board of Trade in London have been studying what retaliatory measures could be taken. Their investigations, he continues, are now so advanced that Mr. Joseph P. Kennedy, United States Ambassador to Britain, and Mr. Nelson Johnson, United States Ambassador to China, have been recalled for consultation.

It is significant, too, he says, that Sir Ronald Lindsay, British Ambassador to the United States, has arrived in London from New York "on holiday."

One step envisaged in American circles, states the correspondent, is to deprive Japan of her benefits under the most-favoured-nation clause.

Were such a step to be taken, he proceeds, the British Government would almost certainly follow suit.

#### Exclusion on Duties

He adds that President Roosevelt also has the power, if discrimination against the importation or sale of American goods is proved, to exclude "any or all articles" from the offending country.

It is doubtful, the correspondent declares, whether such drastic steps are yet contemplated, but the question of increasing duties on Japanese imports has been closely studied.

Any action of this nature, he continues, would be a serious blow to Japan, for the British Empire and the United States are her principal customers, absorbing roughly fifty per cent. of her exports.

However, concludes the correspondent, retaliation of this sort is calculated to lead to counter-reprisals, and it is for this reason that the most pains-taking study of the question is being made before any decision is reached.

#### Question on Tsingtao Incident

When asked in the House of Commons yesterday whether he was aware that a British ship, laden with cotton yarn, had been refused an unloading permit by the Japanese authorities in Tsingtao, Mr. R. A. Butler, Under Secretary of State for Foreign Affairs, said he had not received a report of this particular case.

However, he added, further representations on the general question of discrimination against British interests in North China ports had been made to Tokyo on December 1.

Mr. Ian Campbell Hannah, National Conservative member for the Bilston division of Wolverhampton, asked whether Mr. Neville Chamberlain, the Prime Minister, had considered the cable from the Chairman of British Associated Committee in Tientsin of November 16, in which specific attention was directed to the pressure exerted by the Japanese to secure control of Chinese silver reserves and whether he was aware that a part of these silver reserves were deposited with British banks.

"Yes," Mr. Butler replied, "but so far as Lord Halifax, Secretary of State for Foreign Affairs, was aware, no silver had been deposited in British banks."

#### Britain Stands By Treaties

The British Government has made clear to the Japanese Government that its attitude is governed by the Washington treaties and other international agreements, to which it is party, and that it cannot recognize any alternation in the position as defined by those treaties brought about by unilateral action.

This reply was made by Mr. R. A. Butler, Under-Secretary of State for Foreign Affairs, in the House of Commons yesterday when he was asked what action was proposed to set at rest the wide-spread fears of the British community in Shanghai that the Japanese Government was deliberately planning to close the Open Door to China.

When asked concerning the question of mutilation of cables, Mr. Butler said that Lord Halifax, Secretary of State for Foreign Affairs, had not received any reports of interference with British commercial cables in Tientsin.—Reuter.

#### Washington Told of Talks

Washington, Dec. 12.

Mr. Sumner Welles, Under-Secretary of State filling the Secretary of State, Mr. Cordell Hull's duties in the latter's absence, revealed today that he had received a report from the U.S. Ambassador to Tokyo, Mr. Joseph C. Grew, upon his conversations with the Japanese Foreign Minister, Mr. Arita, but he refused to make any comments whatsoever.—Havas.

#### New Crisis Feared

London, Dec. 13.

While official quarters here refused to make any statement regarding the conversation which the British Ambassador in Tokyo, Sir Robert Craigie, had with the Japanese Foreign Minister, Mr. Hachiro Arita, the "Daily Mail" as well as the "News-Chronicle" fear that a new crisis in the relations between Britain and the United States on one hand and Japan on the other is imminent in view of the systematic Japanese endeavours for the elimination of British and American firms from the Chinese trade.

Mr. Vernon Bartlett declares in the "News-Chronicle" that the Japanese attitude has caused considerable resentment in Britain, and this resentment is rapidly growing. The endeavours for the introduction of preferential tariffs for Japanese and Manchurian products imported into China might not constitute an actual violation of the treaties, but they were bound to affect the interests of the other countries. No one would be surprised therefore if an acute crisis would arise early next year.—Trans-Ocean.

#### Nine Power Treaty Stands

London, Dec. 13.

Reuter understands that the recent conversations between Mr. Hachiro Arita, the Japanese Foreign Minister, and Sir Robert Craigie, the British Ambassador in Tokyo, were of an entirely unofficial nature.

Hence, it is learned, no official cognizance can be taken of these conversations.

It is also pointed out that, despite the profuse hints dropped by Japanese speakers, and articles in the Japanese press, the Japanese Government, hitherto, has not communicated any explicit statement of heir desire to repudiate the Nine Power Treaty.—Reuter.

#### Door Not Closed

Seattle, Dec. 13.

"Though Japan is making efforts to assist in the development of China's natural resources she is not, of course, attempting to bar the door of China against third Powers, but rather invites them to participate in the economic development of China," Mr. Kensuke Horinouchi, newly appointed Japanese Ambassador to the United States, declared on his arrival here yesterday.

"My principal mission in the United States, he said, "is to strengthen the friendly relations between Japan and the United States which have existed for 80 years.

"For many years past Japan has been seeking to further promote peaceful relations between Japan and the United States, especially in East Asia.

"An understanding between the two countries is indispensable for the preservation of peace in the Pacific countries and consequently in the world."—Domei.

#### Bland Assurance

London, Dec. 13.

Mr. Vernon Bartlett, writing in the "News-Chronicle" today, states that he understands Mr. Hachiro Arita, the Japanese Foreign Minister, when interviewing the British and American Ambassadors last week, emphasized that his policy was gradually to exclude their compatriots from the economic life of the Far East.

Mr. Arita, says Mr. Bartlett, made no direct threat to denounce the Nine Power Treaty, as this would doubtless lead to counter-measures against Japanese trade elsewhere.

The protests of Sir Robert Craigie, the British Ambassador in Tokyo, Mr. Bartlett understands, met with a bland assurance of preferences among Far Eastern Powers.

"These assurances," he declares, "carry less and less weight with the British Government, and it would not be surprising if the difficulties became acute in the New Year."

The "Birmingham Post" states that the Yangtze Valley is going to be the battle-ground where the free trading nations of the world will have to fight the grandiose Japanese conception of closed economy.

The journal urgently warns manufacturers who are interested in the China trade against the short-sighted policy of assuming that they will do better with Japanese agents than with old-established British firms in China.

In the long run, it is stated, British commercial interests in China depend on the Chinese, and not on the Japanese.

If manufacturers in the United Kingdom, and British merchants in China, present a united front, the paper declares, they will save a substantial part of their business, but disunity will prove fatal.—Reuter.

#### "Manchester Guardian" View

London, Dec. 15.

"It is, of course, one thing for Japan to denounce the Nine Power Treaty and quite another thing for her to get away with it," says the "Manchester Guardian" in a leader today.

"The United States Government," the paper adds, "is known to be particularly determined that she shall not do so, and it is obvious that both Great Britain and the United States are in a position to take retaliatory measures.

"The key to the situation is obviously Britain—that Britain which, under a National Government, is yielding to aggression throughout the world.

"If Great Britain can be persuaded by threats to agree to the revision of the Nine Power Treaty and recognise the 'new order' in East Asia, might not the United States be forced to fall into line?

#### Japan's Pressure Policy

"Suppose that a Nine-Power Conference were called at the request of the United States Government, and that it was found that Great Britain, France and the Netherlands, all fearful for their Far Eastern possessions, were ready to give up their rights in China, what then?

"Certainly, the plan is worth trying, indeed, it is already being tried.

"The Japanese have closed the Yangtze, despite British protests. They have cut off Hongkong from the mainland, and are now in a position to starve it out.

"More serious still is the threat to co-operate in joint action with Germany and Italy. The Anti-Comintern Pact is already reinforced by cultural pacts. What if it were to be strengthened by a military alliance?

"Now, while Italy bullies France, and Germany menaces Great Britain, Japan gives the turn screw in the Far East.

"For this situation, the British and French Governments are largely themselves to blame.

#### Fear of Threats Shown Early

"From the beginning of the war, they have shown their fear of Japan, and have given in to her threats.

"When Japan discovered, at Changkaofeng that the Russians, for all their weaknesses, were not prepared to yield to aggression, it was but natural that she turn with renewed vigour against those who apparently were.

"It is not generally realized how far this bullying has gone."

After referring to Japanese threats against France, regarding the alleged passage of arms from Indo-China through to Yunnan, the "Manchester Guardian" states that fortunately the British Government has yet proved quite so amenable, but great pressure was now being exercised. It was, of course, essential that it should be resisted.

"The only policy that can have success is a show of firmness in China—and in Europe—and to co-operate closely with the United States Government.

"As long as Great Britain and the United States maintain a common front in the Far East, Japan can do little.

"In this way, we may yet save our interests in China and, what is more important, China herself."—Reuter.

## Pact Revised Without "Notice"

London, Dec. 14.

Answering several questions relative to the revision of the Nine Power Treaty in the House of Commons today, Mr. R. A. Butler, Under-Secretary of State for Foreign Affairs, reiterated that he was unable to recognize any alteration in the position, as defined in the Treaties, brought about by unilateral action.

Mr. William Gallacher, Communist member for West Fife, asked:—

"Is the Minister unaware that the Treaty is being revised without notice, just as the war was started in China without notice?"

Mr. Butler stated in reply:—

"I am fully aware of the difficulty of the position in the Far East, and it is under our constant review.

"Perhaps Mr. Gallacher will take assurance from the answer I have given."—Reuter.

## Britain's Peace Efforts To Continue

London, Dec. 14.

Aims and actions of the British Government since he assumed the premiership last year, with special reference to its foreign policy, was the subject of a weighty speech by Mr. Neville Chamberlain, the Prime Minister, last night at the start of a dinner of the Foreign Press Association in London, attended by many members of the Cabinet, Ministers and Ambassadors though no German Embassy nor press officials attended.

The Prime Minister, who was received most cordially, asserted that his aim had been consistently the same from beginning to end. Two courses, he contiued, were open: one was to make up one's mind that war was inevitable and to throw the whole of the country's energies into preparing for it, and the other was to make a prolonged and determined effort to eradicate possible causes of war and to try out methods of personal contact and discussion, while, at the same time, proceeding with the rearmament necessary to restore the power of defence. He chose the latter alternative.—United Press.

#### Germans Refuse to Attend Banquet

London, Dec. 14.

The German Ambassador and members of his staff and German journalists did not attend the Foreign Press Association dinner last night owing to certain sentences in Mr. Neville Chamberlain's speech which, they declared, made it rather difficult for them to attend.

It is understood that the passage resented was that referring to the German press attack on Lord Baldwin.

The places in the dining hall reserved for Germans were hurriedly filled with other guests, or the chairs were removed at the last moment.

The decision of the German Ambassador not to attend the dinner evoked very considerable comment, according to Reuter's Diplomatic Correspondent.

So that correspondents could attend the dinner in comfort, he says, advance copies of the speech were circulated under the seal of confidence. Comment was directed at the fact that diplomatic action was taken on the text of the speech, which was confidential until delivered.—Reuter.

#### Berlin Welcomes Passages

Berlin, Dec. 13.

Politicians here welcomed with favour tonight that part of Mr. Neville Chamberlain's speech in London in which he alluded to the common desires of the British and German peoples to reach good understanding.

Despite the criticisms of the British press, this desire does persist here, it was stated. German press attacks against Britain were made only in reply to British reactions to "broken windows in Jewish places."

Such attacks will continue as long as British criticism does not cease—but they do not affect Germany's desire to live in peace with Britain, politicians concluded.—Havas.

#### Welcome in Paris

Paris, Dec. 14.

Mr. Neville Chamberlain's speech last night in which he affirmed his policy of peace, was welcomed today in both Germany and France but the German press protested bitterly against Mr. Chamberlain's criticism of its recent anti-British campaign.—Reuter.

#### New York Comments

New York, Dec. 14.

The press here this morning commented favourably on Mr. Neville Chamberlain's speech, although without any enthusiasm.

"Mr. Chamberlain's claim of success for his Government's foreign policy would be more widely recognized as valid if the ten weeks following the Munich peace had been weeks of compromise and friendly gestures," the "New York Times" stated. "Actually, these ten weeks witnessed an outbreak of renewed German terror in defiance of British opinion, the launching of a violent Italian press campaign for annexation of French soil, and the studying of new armament plans by all European countries on a hitherto unprecedented scale. Whatever the merits of his policy of appeasement, Mr. Chamberlain is still distant from his goal."—Havas.

## China Troops Command Appointments

London, Dec. 16.

Lt.-Col. A. G. Neville, Royal Artillery, and Lt.-Col. G. E. Grimsdale, Royal Engineers, have both been appointed G.S.O.1 of the British troops in China. Lt.-Col. Neville will replace Colonel Irwin on March 15, 1939, while Lt.-Col. Grimsdale will replace Colonel Burkhardt on March 21, 1939. Reuter.

## Aggression Does Not Pay Tax-Payer

London, Dec. 15.

"How far does aggression pay the ordinary man, even in successful aggressor nations?" asks the "Birmingham Post" in a leading article today.

"This point will occur to many readers," the paper goes on to say, "nothing simultaneous disclosures of the coming budgets of Italy and Japan.

"Alike, both countries' expenditure is due to the policy which sets force before agreement.

"Italian and Japanese tax-payers are asked for sacrifices which would have been unnecessary if Rome and Tokyo had observed loyally their pledges to Geneva.

"If Japan pushes on with her war in China *à outrance*, and still fails, the reaction which 'dogs the steps of all extremes' will produce a Red Japan."

If Italy pushed her Mediterranean ambitions too far, her foreign policy would fail, and the industrial, commercial and financial set-back thus engendered would easily create an anti-Fascists revolution.

"These two budgets," declares the "Birmingham Post," "underline the moral already written in plain letters—the citizen is asked to accept big sacrifices for big future gains which are incompatible with any reasonable, peaceful, political world system.

"Surely the non-aggressor Powers, with Britain and America leading the way, may reasonably consider the use of their present economic system as a political asset to be used actively, instead of a liability, to be defended passively."—Reuter.

## Sino-British Trade Eligible for Aid

London, Dec. 13.

"Exports to China are eligible for guarantees under the Export Guarantees Act of 1937 and certain applications for guarantees in connection with such exports are now under consideration," Mr. R. S. Hudson, Parliamentary Under-Secretary for Overseas Trade, declared in the House of Commons today.

The question was brought up by Mr. David Adams, Labour M.P. for Consett, Durham.

Mr. Hudson, in his reply, added, "It is not the practice of the Export Credits and Guarantees Department to publish information as to business done with individual countries."

#### Japan and Congo Trade

Mr. E. L. Fleming, Conservative member for Withington, Manchester, brought up the question of whether "East African colonies are included in the terms of the Congo Basin Treaty of 1885 and the Anglo-Japanese Agreement of 1919 with respect to trading facilities."

Mr. Oliver Stanley, President of the Board, replied, "I assume that Mr. Fleming, when he refers to the Anglo-Japanese Agreement of 1919, has in mind the Convention of St. German-en-Laye relating to the Congo Basin and to which Japan is a party.

"British colonial dependencies to which the agreements of 1885 and 1919 apply are Kenya and Uganda, Tanganyika Territory, Zanzibar, Nyasaland and part of Northern Rhodesia."

Mr. Fleming then asked: "Is Mr. Stanley aware of the dissatisfaction roused in Lancashire over the crippling effects of trade treaties and of present conditions as regards the export of textiles to our own colonies in Africa?"

Mr. Stanley answered, "It has been explained on several occasions that there is no motive powerful enough to alter these treaties.

"As a matter of fact, Italian imports of cotton goods into these areas was worth about £1,000,000."—Havas

## Sir Robert Craigie at Gaimusho Again

London, Dec. 12.

A report of a conversation between Mr. Hachiro Arita, the Japanese Foreign Minister, and Sir Robert Craigie, the British Ambassador in Tokyo, has been received in London.

Reuter understands that the discussions were mainly concerned with the question of British trade in China, and that they will be continued.—Reuter.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# British, U.S. Credits for China

## Burma Border Railway Loan of £10,000,000; American Grant of $25,000,000 Arranged

London, Dec. 15.

BRITAIN and China have already reached an agreement in principle upon the grant of a £10,000,000 loan to the Chinese Government for the construction of a 500-kilometre railway between Hsiangkwei and the Burmese border, well-informed quarters revealed tonight. This railway project will be financed exclusively by British interests with the assistance of the Export Credits Department, it was stated. A total of £6,000,000 will be devoted to the actual construction of the railroad, while the other £4,000,000 will permit the Chinese Government to purchase extra railway material and motor lorries. Final accords have not as yet been signed.—Havas.

Washington, Dec. 15.

Mr. Jesse H. Jones, Chairman of the Reconstruction Finance Corporation, today announced that the Corporation had authorized the Export-Import Bank to extend credits amounting to U.S.$25,000,000 to Chinese interests for the purchase of American agricultural and manufactured products.

The credits were to be extended to the Universal Trading Corporation of New York and were to be guaranteed by the Bank of China. The credits will mature over a period of five years. The Universal Trading Corporation is to be organized by the Chinese interests to handle all details of purchases, exports and imports between the U. S. and China in connection with the credits.

Today's announcement follows three months' negotiations with U. S. financial mission headed by Dr. K. P. Chen.

### U.S. Imports from China

It was further announced that the credits would be available not unly for the export of American products to China, but for the importation of Chinese wood oil to the United States. This announcement left the impression that the credits would in effect be guaranteed by Chinese shipments of tung oil, which during recent years has been heavily consumed in the United States in the paint-manufacturing and printing industries.

Dr. K. P. Chen, head of the Chinese financial mission, told the press today that the transaction was "purely commercial." He said that none of the credits were to be used directly for military purposes, although the purchases would include certain military necessities such as several hundred motor trucks and large supplies of gasoline and foodstuffs.

"This is a purely commercial transaction," he said. "The trucks will be used on our new highways which are establishing new trade routes, and the petrol will be used to operate the trucks.

### Funds Ready "As Needed"

He said that the agreement provides for a portion of the funds to be used to finance the import of Chinese tung oil into the United States. The sale of this tung oil, he continued, would realize additional funds and enable the Chinese to make additional purchases in the United States.

Dr. Chen declined to elaborate on how the Universal Trading Corporation would function, but said that it would be of a two-fold nature—presumably referring to its import and export features—and would be headed by Mr. T. M. Hsi, a member of the financial mission and representative of the Central Bank of China.

Mr. Jesse Jones did not reveal how the new credit arrangement would function other than to say that funds would be made available "as needed." —United Press.

### First Credits Not All Used

Washington, Dec. 15.

In announcing the credit, Mr. Jesse Jones, Chairman of the Reconstruction Finance Corporation, said that of the $50,000,000 loan authorized to be made to China in 1934, only $17,105,000 had been used. The total actual disbursements to China, for loans, since 1931, had been $27,051,000, of which $14,420,000 had been repaid, with the remainder being paid as it matured.—Reuter.

### London Negotiations

London, Dec. 16.

Reuter understands that the negotiations for extending British credits to China are progressing in a most favourable manner, and it is hoped that they will be satisfactorily concluded by the time that the new Export Credits Extention Bill, which is now being rushed through Parliament, becomes law.

The amount of the proposed credits to China cannot be specified, but it is understood that they are to be chiefly devoted to the purchase of railway material.

Continued Japanese press agitation over the passage of commodities through China's various "back doors" is regarded calmly here.

Diplomatic circles point out that there is officially no war between China and Japan. The Japanese, it is stated, invariably talk of the "China Incident," hence no question of neutrality arises.

These circles stress that Japan is equally free to buy her requirements abroad as China is.

Christmas shopping sees redoubled efforts by various organizations endeavouring to boycott Japanese goods. Several London stores have privately intimated that they are not stocking Japanese toys.

A monster parade has been arranged for tomorrow at Manchester, to take place in the chief shopping centre, where the public will be urged not to buy Japanese goods.—Reuter.

### U.S. Attitude is Hardening

London, Dec. 17.

The Washington correspondent of "The Times" states that the signs are multiplying of a hardening directive in the foreign policy of the United States. Among other things, the announcement of $25,000,000 worth of credit to the China Trading Group, incorporated under the laws of New York State, is taken as having much significance.

It must be remembered, "The Times" correspondent declares, that evidence of the nature of Japan's operations in China and Manchoukuo has accumulated in such a way that the finding against Japan of injury to American trade by discrimination, with all its retaliatory implications, is inescapable.

In face of this fact, the intervention of the American Government, as represented by the decision to extend credit is of major importance, he declares.

Full account is taken in Washington of the "moral support" which this offers to the much harassed Chinese, the correspondent continues, despite the insistence of the State Department that the transaction represents no more than the extension of credit by another Government agency to an American business for the normal conduct of its affairs.—Reuter.

### Economic War Seen

London, Dec. 17.

Imminent economic war in East Asia where Japan is endeavouring to form an economic bloc comprising herself, China and Manchoukuo is predicted by the diplomatic editor of the "Daily Herald" this morning.

"British business men in China," the paper writes, "are becoming more and more alarmed at the insistence with which they are being ousted from every form of economic activity in that country. Many amongst them are urging the Government to take retaliatory action before it is too late." "The Herald" registers with satisfaction that both Great Britain and the U.S.A. are beginning to react to the increasing Japanese menace to their China trade. The "Reconstruction Finance Corporation, it points out, has just authorized a loan of $25,000,000 to improve American trade with China, while a week ago, the British Government made known their intention of creating a special fund of £10,000,000 with a view of guaranteeing exports to friendly countries. "It is understood," the paper adds, "that part of this fund will be used to guarantee certain transactions with China."—Havas.

### Chinese Encouraged

Chungking, Dec. 17.

Reports that China has obtained credits amounting to £10,000,000 sterling from Great Britain, and U.S.$25,000,000 from America are given prominence under banner headlines in today's Chinese newspapers.

The Chinese press also publishes leading articles commenting on the subject, the general tone of which is to declare:—

Firstly, that when the Powers give material assistance to China at the present "very critical" moment, no matter what the amount is, big or small, such assistance will give the greatest encouragement to the Chinese people;

Secondly, these financial credits offer excellent proof of Sino-British and Sino-American friendship, "which will be appreciated by the Chinese to a degree far exceeding the actual monetary value of such assistance";

Thirdly, China will honour her obligations—China has been able to exist for over 5,000 years, principally due to her traditional sense of integrity, and no matter how difficult China's financial position, she will not "let her friends down"; furthermore, China has unlimited resources, and possesses a great power of recovery;

Fourthly, while this assistance is commercial in nature, its political significance cannot be overestimated, for it is undeniable that the credits granted will help China to resist the Japanese invasion, thereby safeguarding the position and interests of the Powers in China; and

Fifthly, undoubtedly these loans will cause violent repercussions in Japan, but the Powers need not fear Japan's "intimidations," as China is strong enough to shatter Japan's imperialistic dreams.—Reuter.

### To Buy Trucks and Oil

San Francisco, Dec. 16.

A Washington dispatch said today that Mr. K. P. Chen, head of the Chinese Financial Mission which has successfully obtained credits amounting to U.S.$25,000,000, declared that most of the American loan would be devoted to the purchase of trucks and gasoline.

He said a substantial portion of the contracts for trucks will be placed with the General Motors Corporation. He indicated the initial contracts will be placed within the immediate future.

Mr. Chen also emphasized that the trucks will be operated on highways for purposes of transportation and that the credits will not be used for military purposes.

The purchases will be made by the Universal Trading Corporation, which is incorporated in New York, he said. The Universal Trading Corporation is composed of Chinese stockholders headed by Mr. T. M. Hsi, a member of the Chinese Financial Mission.

The Export-Import Bank will extend the credits to the Universal Trading Corporation under a guarantee from the Bank of China. The credits will mature over a period of five years.—United Press.

## Smallpox Virus For China

Geneva, Dec. 17.

The Secretariat of the League of Nations has procured, at the expense of the League, 4,000,000 doses of vaccine against smallpox, which will be sent to China as the result of the intimation, by the Chinese Government, of an urgent need for the virus.

The vaccine will be sent from Indo-China to China as quickly as possible. —Reuter.

Paris, Dec. 16.

The Red Crescent organization in Ankara has sent 1,000,000 doses of anti-cholera vaccine to the Chinese Red Cross.—Havas.

## Chinese Crew Leave Japan-Bound Ship

London, Dec. 17.

The Chinese crew of a ship, at Wyvern-in-Tyne, yesterday left the vessel, which recently had been sold to the Japanese Government.

The crew departed when they found that the ship was going to Japan, with a cargo of scrap iron, to be broken up.

An Indian crew were signed on, but, according to the "Daily Herald," representatives of the China Campaign Committee last night approached the new crew with a telegram from the India League, appealing to them to leave the vessel.—Reuter.

## Anti-Japanese Parades Off in Manchester

London, Dec. 17.

The proposed "Boycott Japan" parades which were to have taken place today are not to be held after all, as arranged, states the "Manchester Guardian."

They are to be held in a limited form, however, the journal declares.

Leaflets are to be distributed, it is stated.

The routes originally suggested by the organizers of the parades, the journal declares, were rejected by the Chief Constable as being unsuitable.

The organizer declared that he took care to plan the routes so as to avoid times and places which he was requested to avoid by the Chief Constable.

He expressed suprise at the Chief Constable's prohibition.—Reuter.

## Britain's Navy to Be Unrivalled

London, Dec. 16.

During 1939, Great Britain will launch 45 warships, with a total tonnage of 355,705.

Mr. Hector Bywater, Naval Correspondent of the "Daily Telegraph," who makes this calculation, states that such a figure has never been approached in time of peace by any country, and that it is little, if at all, below the aggregate tonnage launched in Great Britain in any single year of the Great War.

The vessels enumerated by Mr. Bywater are five battleships, three aircraft carriers and five large cruisers, seven small cruisers, eleven destroyers, nine submarines and five sloops.

The battleships, which have a total displacement of 175,000 tons, Mr. Bywater describes as the largest and most strongly armoured units of this type ever to be built in Great Britain.

### Gun-Power to Be Increased

They will, he goes on to emphasize, reinforce the gun-power of the British Fleet by fifty 14-inch guns of a new and very powerful type, while, with a designed speed of 30 knots, they will be among the world's fastest battleships, he states.

The first of these powerful new battleships, Mr. Bywater, declares, to be named H.M.S. King George V, will be launched by His Majesty at Tyneside on February 21.

She will be followed by her sister ship, H.M.S. Prince of Wales, which will be launched at Birkenhead in March, and three more of the same class, the Anson, the Jellicoe and the Beatty, will be launched during the Autumn.

### New Types of Ships

The new aircraft carriers will comprise:—H.M.S. Illustrious, H.M.S. Victorious and H.M.S. Formidable, each of 23,000 tons displacement—the largest hitherto built for the Royal Navy.

The large cruisers will comprise:—H.M.S. Fiji, H.M.S. Kenya, H.M.S. Mauritius, H.M.S. Nigeria and H.M.S. Trinidad.

They will represent a new type, and will displace 8,000 tons each, with a speed of 33 knots. They will be armed with 12½ inch guns, Mr. Bywater adds.

The small cruisers, he says, will also form an entirely new class.

They will displace 5,450 tons, have a speed of 33 knots, and be equipped with unique armament of ten 5.2 inch guns—a new model of gun, credited with a rate of fire of 14 rounds a minute.

Mr. Bywater points out that, even when the 45 ships enumerated above are in the water, many others will still remain on the stocks.

These will include two 40,000 ton battleships, four heavy and three light cruisers, and numerous smaller craft—without counting the warships provided for in the 1939 estimate.—Reuter.

### Seamen Needed

London, Dec. 15.

The Admiralty announced today that several new or modernized war vessels have been put into active service and that this action will entail recruitment of new crews.

There have been 21 naval units during this year which had to be provided with crews and 46 vessels will be placed in service during 1939. Among the 46 are three battleships, three aircraft-carriers, three cruisers, 24 torpedo-boats, ten submarines and three convoy vessels.

The recruiting campaign will aim chiefly at obtaining gunners and those candidates found fulfilling preliminary conditions will be granted special facilities.—Havas.

## Marshal Bluecher Not Arrested

London, Dec. 15.

The Moscow Correspondent of the "Manchester Guardian" is reliably informed that Marshall Vassilli Bluecher has not been arrested, as has been rumoured in certain quarters, but has been recalled from the Far East.

Marshal Bluecher, the correspondent states, now occupies a post in the Soviet War Commissariat.—Reuter.

## Son of Chinese General Enters Czech Army

Prague, Dec. 14.

Li Ban, son of the Chinese General, Li Hong-wong, began his military service in the Czech Army today. The only Czech words he knows are, "Discipline is the noble honour of every soldier." He is 22 years of age and intends to stay three years in the Army. He wishes to study to become an officer.—Havas.

## Brompton Oratory Wedding

London, Nov. 22.

The Chinese Ambassador and Mme. Quo Tai-chi were among the many guests present at the wedding here yesterday of Mr. Henry Louis Lester Morriss, son of Mr. and Mrs. H. E. Morriss, of Banstead Manor, Chieveley, Newmarket, and Miss Evelyn Valhalla Suzanne Heathcote, daughter of Colonel R. E. M. Heathcote, of Manton Hall, Oakham, and Mrs. Heathcote, of Thurleston, Whitton, Ipswich.

The marriage took place in the Brompton Oratory, Father Davidson and Father Vincent Baker officiating. The reception after the wedding was at 23 Knightsbridge.

The bride wore a gown of gold lamé faintly stripped with cream, fashioned in Empire style with a long train of cream and gold Chinese brocade depending from the shoulders. Her tulle veil was surmounted by a diamond-shaped coronet of gold lamé and her bouquet was of auratum lilies and stephanotis.

She was followed by two pages to carry her train, Philip Erskine and Alan Lillingstone, dressed in pale gold satin knee-breeches and crimson velvet coats, finished with deep cream lace jabots and frilled cuffs; and by eight grown-up bridesmaids, Miss Sibyl Lambton, Lady Mary Rose Fitz-Roy, Miss Agnes King, Miss Jacqueline Fox, Miss Maud Hamilton, Miss Diana Heathcote, Miss Pamela Newton and Miss Cecil Watt.

Their dresses, fashioned like the bride's, were of crimson velvet, and their head-dresses, of real flowers, matched their bouquet of mixed autumn flowers and foliage. Mr. Edward Lambton was best man.

### Distinguished Guests

The following is a list of guests:

Mrs. Heathcote, Mrs. H. E. Morriss, Dr. Quo Tai-chi and Mme Quo, the Countess of Mar, Mrs. Charles Norman, Mrs. F. Walton, Mrs. Herbert Vivian, Miss Wickham, Captain Spencer, Miss Spencer, Mrs. R. E. M. Heathcote, Mrs. Lewis Thomas, Miss Walton-Evans, Mr. and Mrs. R. Walton, Countess Haig, Miss M. Burnett, Lucy Countess of Erroll, Mrs. Wilmot Sitwell, Mr. and Mrs. A. V. Wilson, Mrs. George Turner, the Hon. Mrs. Mountjoy Fane, Lady Ainsworth, Mrs. Wijk, Donna Lyta Alexander, Major R. T. Smith, Lieutenant-Colonel and Mrs. G. W. Erskine, Dowager Viscountess Portman, Mrs. Evan Hanbury, Mr. and Mrs. Ronald Hamilton, Mrs. R. E. Wilson, Mrs. S. A. Watt, Mr. C. F. Middleton, Miss E. O. Thompson, Mr. K. Edmunds, Mr. A. Edmunds, Miss E. Edmunds.

The Hon. Henry Cecil, Captain and Mrs. Noel Newton, Mrs. Geoffrey Fritz-Gerald, Mrs. M. O. Springfield, Mrs. O. M. Green, Mrs. Pitcairn, Mrs. Walter Maxwell Wright, Mrs. Gerald FitzGerald, Mr. J. Maxwell-Lyte, Miss Maxwell-Lyte, Mrs. T. W. Hanmer, Mr. and Mrs. W. Turner, Lady Macleay, Lady Barton, Mrs. Ellis Hayim, Miss Lake Brooks, Mr. Geoffrey Wilson, Mrs. Ewart-Beattie, Miss Spencer, Mr. and Mrs. Harold Slocock, Mrs. James Holt, Colonel and Mrs. Ferguson, Mr. Robin Gregg.

Lady Ethel Wickham, Mr. and Mrs. C. R. Burkill, Sir Jocelyn and Lady Lucas, Mrs. Durlacher, Mr. and Mrs. Luke Lillingstone, Mrs. Cedric Royd, Mrs. Durham Matthews, Lady Bullough, Miss Burnett of Leys, Miss Diana Mills, Miss Viva Brownrigg, Mr. H. Bradshaw-Isherwood, Major J. D. Barry, Mrs. Charles Stirling, Captain Edward Harbord, Mrs. J. H. Ismay, Miss Pamela Ismay, Mrs. A. Carrington Wilde, Mrs. Murray Baillie, Mrs. E. Johnston, the Hon. Mrs. George Lambton.

Lady Clare King, Sir Reginald and Lady Henderson, Mrs. J. L. Rose, the Hon. Mrs. North, Miss North, Mrs. David Nares, Mrs. A. Hunter, Mrs. Walter Lambert, Mrs. Addington Adam, Mr. Raymond Addington Adam, Major and Mrs. J. B. Paget, Lady Alexandra Egerton, Mrs. Nutcombe Hume, Dr. and Mrs. Robert Fenner, Mrs. J. St. V. Fox, Miss Norman, Mr. T. Norman, Mrs. G. Wetherell.

Lady De la Rue, Miss De la Rue, Mr. R. Gerard, Mr. H. Rose, Mr. Neil Henecage, Mrs. Carill-Worsley, Mr. W. D. Cadman, Mr. and Mrs. W. R. Strahan, Mr. Richard Paeyce, Mrs. Gerard Tharp, Mr. Julian Sampson, Mr. W. M. Walter, Dr. and Mrs. John Matthews, Mr. and Mrs. Henry Barnes, Lady Alwyne Compton-Vyner, Miss Compton, Lady Greer, Mrs. Cecil Fielden, Captain and Mrs. Edward Radcliffe, Mrs. E. R. Bennett, Mrs. Rechnitzer, Sir Digby and Lady Lawson, Lady Ley, Mr. D. R. FitzGerald, Mr. R. Snead, Mr. S. Donoghue, Mrs. Glencairn Campbell, Mr. R. Scott Fry, Mrs. John Crammond, Mr. A. Lloyd, Miss van Haeften, and Miss M. Wilson.

Mr. H. E. Morriss was unfortunately obliged to return to China before the wedding; he gave the bride a very handsome present.

The honeymoon was in Paris but was a short one as Mr. H. L. L. Morriss, who is managing his father's stud at Banstead Manor, had to be back early in December for the yearling sales.—Reuter.

## Grand Duke Vladimir Given Allegiance

Paris, Dec. 18.

All members of the Russian colony here took an oath of allegiance to Grand Duke Vladimir Cyrillovich today, thereby promoting a reconciliation between the Russian monarchists and the Romanoff family.

The rupture between the two groups was due to the "leftist" attitude of the late pretender Grand Duke Cyril, father of Grand Duke Vladimir who approved the "young Russia" movement.—Havas.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

*FOREIGN TELEGRAMS (continued)*

# Italy's Pledge Covers Tunis

## Mr. Chamberlain Defines British Attitude on Mediterranean Status ; Spain Mediation Issue

London, Dec. 15.

THE attitude of the Government in regard to the effect of the Anglo-Italian agreement in relation to the *status quo* in the Mediterranean, with particular reference to the position of Tunis, in the event of an attack, was defined by Mr. Neville Chamberlain, Prime Minister, in the House of Commons yesterday.

When asked to give an assurance that Great Britain would regard an attack by Italy on any French possessions as an unfriendly act, Mr. Chamberlain replied : "In the view of His Majesty's Government, the undertaking to respect the *status quo* in the Mediterranean, as embodied in the Anglo-Italian agreement, certainly applies to Tunis and any action which was contrary to the agreement would, of course, be a matter of grave concern to His Majesty's Government."

The Government, however, added the Prime Minister, could not contemplate the possibility of such an attack as suggested in these questions.

The British Government had been in touch at various times with the French and Italian Governments regarding the possibility of bringing a cessation of hostilities in Spain, declared Mr. R. A. Butler, in a statement in the House of Commons yesterday.

Mr. Butler replied in the negative when he was asked whether mediation attempts had been delayed or held up by the Government's desire for a General Franco victory.

When asked to consider making representations to the South American republics on the matter of mediation, Mr. Butler replied that if the Government thought any success was likely, it would not eliminate such a possibility.

### Italian Reinforcements

Numerous questions were addressed to Mr. Butler yesterday on the alleged recent Italian reinforcements in Spain with relation to the Anglo-Italian treaty.

Mr. Butler declared he could not deny that there had been a certain amount of assistance from Italian sources but did not think it amounted to much more than replacements.

Certainly, added Mr. Butler, it did not amount to any increase in the personnel of Italian troops.

Mr. Butler stated in the House yesterday that according to the latest figures received, which were issued on October 29, the number of United Kingdom nationals held as prisoners of war by General Franco's administration was 86 and of Canadian nationals, 34.

Mr. Butler later added that the British Agent at Burgos, Sir Robert Hodgson, had reported that he had taken further steps to expedite the conclusion of the exchange arrangements and that he hoped that their release might shortly be expected.—Wireless and Reuter.

## Move for Independent Ukraine

London, Dec. 18.

The Berlin correspondent of the "Sunday Times" states today that a definite movement has been launched there for the inauguration of an independent Ukrainian State, which is to include Ruthenia as well as extensive regions of Poland, Russia and part of Rumania. A "Confidential Ukraninian Bureau" has been opened in Berlin, the correspondent asserts, by Dr. Mikola Suschko, who is believed to be an ex-officer of the Ukrainian Army. All 'stateless" Ukrainians have been asked to register at the Bureau.

At the same time, the Warsaw correspondent of the "Sunday Times" declares that political circles are astonished at the haste of the Nazi authorities in organizing the 40,000 Ukrainians resident in Germany.

Dr. Resenberg, Herr Hitler's Chief Lieutenant for Ukrainian Affairs, has created a special Ukrainian department in Berlin, to co-operate with the "Confidential Ukrainian Bureau." It is stated in Warsaw that all young Ukrainians in Germany will undergo military training in special schools, one of which, for officers, is said to have been opened in Danzig.

The Polish Government has sharply protested to Prague against anti-Polish Ukrainian propaganda in Czechoslovakia.—Reuter.

## Empress of Japan Fined For Opium Carrying

Vancouver, B.C., Dec. 17.

Officials of the Canadian Pacific Steamship Company today announced that the Customs officials in Honolulu had imposed a fine of US$15,733 on the Empress of Japan, following the seizure of opium valued at US$30,000 this morning.—United Press.

## Effects of China War On Foreign Interests

Paris, Dec. 14.

The Far Eastern conflict and its effect upon foreign interests in China, the close Franco-British entente, and the new Franco-German "non-aggression" Declaration were matters dealt with today by M. Georges Bonnet, the Foreign Minister, in his speech before the Foreign Affairs Committee of the Chamber of Deputies. He admitted that Sino-Japanese hostilities had imperilled European interests in China, but added that the question was not especially a French problem but rather one of international scope.

M. Bonnet then recalled the words of the British Prime Minister, Mr. Neville Chamberlain, that "Our relations with France are so close as to go beyond mere legal obligations as they are founded upon an identity of interests." In reply, M. Bonnet said he could only repeat the words of M. Yvon Delbos, then Foreign Minister, who had answered a speech made by the then British Foreign Secretary, Mr. Anthony Eden, at Leamington, on December 4, 1936, M. Bonnet reiterated M. Delbos' words, "I declare in the name of the French Government that all the forces of France would immediately and spontaneously be utilized for the defence of Great Britain in the event of unprovoked aggression."

### Italian Claims Rejected

Turning to the recent Italian "claims" upon France, M. Bonnet asserted that it should be clearly understood that France would never agree to surrender the slightest part of her territory to Italy. Any such claim would only lead to war.—Havas.

## Italy Earmarks Huge Sum for Armaments

Rome, Dec. 14.

A total sum of 10,000,000,000 lire has been earmarked for the development, and the speeding up, of Italian armaments.

An official statement, in which this figure was revealed, says that the step was an "inevitably necessity, owing to the present world situation."

The statement was issued after a meeting of the Cabinet Council this morning, under the presidency of Il Duce. The Budget for 1939/1940 was approved at this meeting.

Only four-fifths of this huge sum is included in the estimates—the remaining one-fifth will be kept in hand, and used according to the necessities of the moment.

It is thus estimated that the expenditure for 1939-1940 will exceed the current year's estimates by nearly 2,500,000,000 lire but, if it is above the one-fifth included, the latter will be exceeded by over 4,000,000,000 lire.

The current year's estimates were, on the other hand, exceeded by an extra 21 per cent. expenditure, which amounted to 7,000,000,000 lire.

The total revenue was estimated at 24,500,000,000 lire, and the expenditure nearly 29,500,000,000 lire.

The only new tax to be imposed is a levy on private businesses, announced last month, which should raise nearly 1,250,000,000 lire.—Reuter.

## France Not Bound If Ukrainians Revolt

Paris, Dec. 15.

M. Georges Bonnet, Foreign Minister, replied to the Polish Foreign Office's request to be advised whether the mutual aid treaties with Poland, Russia and Rumania would still stand if those nations became victims of aggression, by pointing out that France was under no obligation to intervene if Ukrainian minorities provoked a conflict by proclaiming their independence.

He said the Franco-German "no-war" pact did not affect the mutual aid treaties.—United Press.

## Paris Press Warns Fascist Italy

Paris, Dec. 12.

Strong warnings to Italy with regard to the inviolability of Tunis, are contained in the French press today.

"As far as Tunis is concerned, there is not one Frenchman now who would allow the least violation of our protectorate," says "Le Figaro." "Tunis is one of the most sacred things for which, if anyone dared to touch it, France, with one accord, would fight immediately."

If Italy, the paper declares, were to deny the validity of the 1935 accord and raise all sorts of new questions concerning the status quo in Africa and the Mediterranean, "we would regretfully have to tell her that when agreements already concluded no longer count, we see no reason to conclude new ones."

The "Excelsior" states that Il Duce is mistaken if he thinks the methods by which Herr Hitler changed the status of Central Europe for the benefit of Germany will enable him to change the status of the Mediterranean for the benefit of Italy.

To convince himself of this, the paper continues, Il Duce need only read the English papers.

"L'Oeuvre" states that France will not stand for the kind of "blackmail" which is being used against her. The nation, adds the paper, must stand immediately for all eventualities.—Reuter.

## *Finland Pays Up U.S. War Debt*

Washington, Dec. 15.

Of the thirteen nations due to pay another instalment on their war debts to the United States today, Finland was the only nation to make good pledged payment. Finland, Treasury officials revealed, paid in US$232,935.—United Press.

### Quiet Restored

Tunis, Dec. 12.

All citizens have now responded to the call of the Resident-General for calm following recent demonstrations against Italy's claims.

A resolution signed by members of the Tunis ex-Service Men's Association was handed to a French regiment here, protesting against the Italian claims, and emphasizing the unity of France with Tunisia.

Jews in Tunis are opposed to any change in the administration of Tunis, as they fear ill-treatment from the Italians. Jewish children have already been expelled from local Italian schools.

No further incidents are expected unless definite provocation is given, and the authorities have taken all the necessary measures to preserve peace. The police are sufficient to meet any emergency, the local strength having been increased by Gardes Mobiles from Algeria and Spahis, which are native mounted gendarmerie under civil control, from Oudjak.

On the frontier facing Tripoli is an army corps behind a "Maginot" line, regarded as impregnable, of massed barbed wire and aviation camps, beyond which is mountainous, arid country. In addition, a seaboard line has been prepared for any contingency.

Many sections of the community describe Italy's claims as a "huge bluff."—Reuter.

### Italians Quiet in Djibouti

Aden, Dec. 12.

According to reports from Djibouti, all Italians there have ceased frequenting public places, except the Fascist headquarters, following instructions from the Italian Consul.—Reuter.

## Germany to Stand By Italy

Berlin, Dec. 18.

What virtually amounts to a warning to Great Britain, that Germany will stand by Italy in case of a conflict between Italy and France over Tunis, is contained in the "Frankfurter Zeitung." The journal writes that, in comparison with the cumbersome deliberations regarding the degree of British obligations in case of a conflict over Tunis, one can point to the fact that, in the relations between Germany and Italy, no such deliberations are necessary. "We know our relations towards one another," the newspaper states.—Reuter.

## New German Coup Prepared

London, Dec. 15.

Preparations for a German coup in Poland or Rumania during the early days of 1939 are seen by observers here as the main cause of recent reinforcements of the Reich's land and air forces.

Germany is making ready for a coup in support of the Ukrainian Nationalists' movement, these military observers stated today.

According to reliable despatches, four of the eight new Army divisions created in Germany since Munich are of the mobile, offensive type. They include two heavy, armoured and two light, mechanized divisions.

All four of these mobile units have been placed under the command of General Guderian, who has been given the special title of Chief of "Schnellen Truppen" (Offensive Troops).

One of the light mechanised divisions is now stationed in Upper Silesia.

### Air Force Expanded

Meanwhile, the expansion of the Reich's Air Force has also been accelerated and monthly production is at present estimated to be 700 new aeroplanes.

Beliefs that Poland or Rumania will be the scene of the impending German coup are based upon the facts that a certain number of specialists have been called to the colours as from the beginning of next year; that strategic roads in Austria and Silesia are being built and that the new "offensive troops" are stationed in the eastern and south-eastern districts while defensive "fortification" corps are garrisoned along the western borders.

### Rumania Made Anxious

Rumanian authorities have already voiced anxiety over these measures, expressing their feelings through diplomatic channels and urging the British Government to grant credits for the reinforcement of Rumania's defences, it was revealed here today.

Britain is apparently convinced of the futility of efforts by any single State to check German expansion, however, and is alleged to be determined to grant assistance only when all the Eastern European States join in such efforts for common defence purposes.

In the meanwhile, London is limiting activities to purely commercial competition with the Reich in Danubian markets.—Havas.

## Portugal Will Defend Her Empire

Lisbon, Dec. 15.

References to the defence of the Portuguese Empire were made today by the Prime Minister, Dr. Antonio de Oliveira Salazar, in a speech at a banquet in honour of the British Services Mission, which was to leave for England tomorrow.

The Mission's visit was a demonstration of friendship on the part of the British Government, which aimed at strengthening existing ties between the two countries, Dr. de Oliveira Salazar declared.

He added that the British and Portuguese Mission had been able "to find a better formula to guarantee our mutual interests.

"We sincerely love peace," the Premier continued, "but we cannot forget that we have considerable interests in different parts of the world. To defend them, we have been forced to improve our own means of defence and to seek guarantees derived from our friendships, especially the Anglo-Portuguese alliance."

In conclusion, he said: "I hope that the work accomplished by the Mission may be only the beginning of the close relations between the two allies, and of the joint study of problems of common defence."

The British Services Mission arrived in Portugal last February.—Reuter.

## 20 Years' Hard Labour For Mme. Skobline

Paris, Dec. 15.

A sentence of twenty years of hard labour was meted out today by the jury to Mme. Nadine Skobline, accused of complicity in the kidnapping of General Eugene Miller, one the leaders of the White Russian Movement.

The sentence was read out after M. Jean Schwab, attorney for the defence, made an impassioned plea to obtain the acquittal of his client.

The President of the Court notified the jury that General Skobline, also implicated in the case, would be judged by default.

Mme. Nadine Skobline is known to musical audiences all over the world under her maiden name of Plevirskaia, which she made famous in her interpretation of Russian National songs.—Havas.

## Soviets Adamant on Fishery Dispute

Moscow, Dec. 15.

A deadlock has again been reached in the negotiations regarding Japanese fishing rights in Soviet territorial waters, according to a semi-official report issued here.

The report states that negotiations were continued between M. Maxim Litvinoff, the Soviet Foreign Commissar, and Mr. Shigenori Togo, the Japanese Ambassador in Moscow.

Mr. Togo, it is stated, asked whether, in the event of the Japanese Government considering favourably the question of overdue payment for the Chinese Eastern Railway, the Soviet Government would agree to sign, without changes, the draft Fisheries Convention which they refused to approve in 1936 and 1937.

M. Litvinoff, the statement goes on to say, replied in the negative.

Mr. Togo then stated that he was prepared to start negotiations on a temporary agreement for a year, in conformity with the proposal put forward by the Soviet on November 28.

M. Litvinoff agreed to this proposal, but said that this did not cause the Soviet Government to withdraw its demands with regard to the railway payments.

### Soviets Remain Adamant

In the course of further negotiations, M. Litvinoff declared, it would be necessary to return to this question.

Subsequently, Mr. Togo opposed the basis of the temporary agreement mentioned in the Soviet proposal of November 28, an insisted on the prolongation of the temporary agreement now in operation.

He added that, if it proved to be impossible to conclude a new convention, the previous convention must be renewed.

M. Litvinoff did not agree, and proposed that Mr. Togo again inform the Japanese Government that a temporary agreement could be concluded only on the basis of the Soviet statement of November 28.—Reuter.

## Paris Sees Signs Of New Storm

Paris, Dec. 17.

The belief that Germany and Japan are attempting to improve their respective economic positions prior to embarking upon joint action against the U.S.S.R., is entertained in diplomatic as well as in financial circles here, where more than a coincidence is seen in the simultaneity of two facts of equally momentous significance, the one being Dr. Hjalmar Schacht's present efforts in London to secure a trade agreement with Britain, and the second being the present lull in the Japanese operations on the Asiatic mainland.

The pause in Japan's drive into China, well-informed observers of Far-Eastern affairs opine, was decided in full accord with Berlin, and is undoubtedly due to financial and economic difficulties being experienced by the Island Power for the time being.

### "Violent Reactions"

On the other hand, Dr. Schacht intimated that "violent reactions" would occur in the international field should the Reich be denied her much needed increase in foreign trade aimed at obtaining foreign currency, the need of which is badly felt by German economy. The German Propaganda Minister, Dr. Joseph Goebbels' recent speech on the subject of the "lack of space" is considered significant of Berlin's ambitions eastward.

Fear is being expressed in the same quarters, however, that a stabilization, even a temporary one, of the Far-Eastern fronts would give Japan an opportunity for preparing jointly with the Reich for a broad-scale action against the Soviet Union.—Havas.

## Nazi Press Vilifies Mr. Anthony Eden

Berlin, Dec. 12.

The German press today violently attacked Mr. Anthony Eden, former British Foreign Secretary, for his speech on the subject of democracy in New York several days ago.

The "Lokal Anzeiger" exceeded all comments by the violence and rudeness of its attack.

The paper called Mr. Eden the "Oxford dandy who spoke before a meeting of "modern slave traffickers, highway robbers, and dealers in arms."

"This dandy, this mannequin, this too-smartly dressed war-monger dared before the new world to attack the men who in Europe succeeded in resuscitating their former greatness," the paper concluded.—Havas.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# British Empire's New Power

## Mr. Malcolm MacDonald Discerns Awakening of Splendid Concept of Imperial Responsibility

London, Dec. 14.

BELIEF that the British Empire today was the greatest practical expression of certain permanent political principles which ought to inspire devotion and command the services of even the youngest and most idealistic, was expressed by the Colonial and Dominions Secretary, Mr. Malcolm MacDonald, in a speech yesterday afternoon at the Constitutional Club in London. The main purpose of the British Empire, he asserted, was the gradual spreading of liberty among His Majesty's subjects in whatever part of the earth they lived. The most significant part of the Empire today was that part called the British Commonwealth of Nations.

People, Mr. MacDonald continued, talked about Imperialism as though it meant the exploitation, duping and domination of the weaker peoples by the strong. "How ignorant they are of the changes which have been going on inside the British Empire and which have reached a climax in our time."

A new Imperialism, which was the antithesis of that conception, had grown up inside the Empire. There were certain disintegrating forces inside the Commonwealth today. There was, for instance, the force of nationalism, and there was no doubt that some of the Dominions had been bitten rather badly by Nationalism.

Mr. MacDonald asked what would be the future of the British Commonwealth of nations.

There were those, he said, who shook their heads and stated that this wonderful creation was the final flower of British political genius which would blossom for a short season but that, at last, the whole flower would fall dead and disappear.

Some suggested that the Empire might fall to pieces.

"I sometimes wonder," Mr. MacDonald proceeded, "if, before I leave the Dominions office, I shall not find that the people who prophesied that are right."

### Nationalism Fine Thing

He said he absolutely approved of nationalism in the Dominions. Most of them were eager, virile countries and, like all young things, they were anxious to demonstrate that they had attained manhood.

It was absolutely right and proper, Mr. MacDonald declared, that they should feel like that, but beyond a certain point nationalism could be a disintegrating force.

If one Dominion ever made a decision to break the link which tied them constitutionally within the Empire, that might be a temptation to others to follow suit.

There were many counter forces however, which were making for continued association and co-operation among all those nations within the Commonwealth.

"I have watched the Dominions and this country come through crisis after crisis together. Everyone of those was a test of the power of this country and the Dominions to stick together.

"I have been amazed at the capacity, indeed at the instinct, of the Dominions and this country to get together in times of crisis and work together."

### Strength in Unity

Referring to the material factors that worked towards continued association, the Colonial Secretary said that the Dominions had got to recognize, and recognize for some long time to come, that their main strength lay in their association with Great Britain, and that their security depended mainly on the power of the British Navy to defend their shores against aggression.

Mr. MacDonald spoke of the historic significance of the visit next year by the King and Queen to Canada.

He described it as an unprecedented journey, adding that for the first time the reigning King and Queen were to set foot on the soil of one of the great overseas Dominions over which they reigned.—Reuter.

## U.S. to Examine Facts Of Japanese Shipping

Washington, Dec. 12.

The United States Maritime Commission has decided to inquire into the activities of two large Japanese shipping concerns, the Osaka Kyosen Kabushiki Kaisha and the Yamashita Kisen Kabushiki Kaisha.

These companies cut down freight rates between North and South America.

The Commission has received several complaints in which American shipping concerns objected to "such practices which are destined to create chaotic and destructive conditions" in the freight trade between South and North America.

The Japanese reductions bore principally upon coffee.

Representatives of the two Japanese concerns will have to appear before the Commission shortly.—Havas.

## King's 43rd Birthday Celebrated

SPECIAL TO THE "N.C.D.N."

London, Dec. 15.

A Royal salute was fired in Hyde Park and Windsor yesterday in honour of His Majesty, who celebrated his 43rd birthday.

There were many callers at Buckingham Palace, including Ambassadors and other representatives of the diplomatic corps.

Among many world-wide messages of congratulations, the King received one from Herr Hitler.—Reuter.

## *King to Broadcast On Empire Day*

SPECIAL TO THE "N.C.D.N."

London, Dec. 14.

His Majesty will broadcast an address to the whole Empire from Canada during his visit there this summer, according to an official announcement made here yesterday.

The broadcast will be made on Empire Day. The announcement also repeated a previous statement that the King would not broadcast on Christmas Day.—Reuter.

## New Japanese Envoy In Washington

Washington, Dec. 17.

Mr. Kensuke Horinouchi, newly appointed Japanese Ambassador to the United States, arrived here from Japan today. Mr. Horinouchi was greeted by members of the State Department, officials from the Japanese Embassy and a large number of members of the Japanese community.

Speaking to newspaper correspondents on his arrival, the Japanese envoy recalled that he had previously served as Counsellor of the Japanese Embassy here, and as Japanese Consul-General in New York. He said that he would be happy to resume his contacts with his American friends and the American officials.

"I believe that mutual confidence must be the basis of friendly relations between the United States and Japan," he declared. "I will do my small part to promote that. I will try to present clearly and honestly the views of my Government and I will try to help the people of both countries to understand the purposes, the attitude and the feelings of both sides."

Mr. Horinouchi said that he was confident friendship between the United States and Japan could be prolonged unbroken "for many generations." He was to present his credentials to President Franklin D. Roosevelt shortly, however, the date had not yet been fixed.

The new Ambassador declined to comment on the present war with China, or on other political subjects, pending his presentation of credentials.—United Press.

## Corrigan Granted Bail for £1,000

London, Dec. 15.

Dennis Corrigan, agent of Park Lane, who was committed for trial on December 9, has been granted bail for £1,000 surety.

Corrigan has also promised to report to the police daily.

He is charged, together with Frederick Willing and James Willing, with having conspired with a Chinese, T. H. Chou, and other unknown, to defraud Mr. Theodore Lafitte, who described himself as a director and manager of a firm in Paris for the manufacture and sale of arms, of £7,250.—Reuter.

## *Britain's Finances Might Decide War*

London, Dec. 15.

Speaking at a luncheon to Lord Bicester in the House of Commons today, Mr. Neville Chamberlain, the Prime Minister, said: "When German statesmen reflect upon the possible consequences of conflict, they think not only of our armaments, but also of our great financial resources, which in a war of long duration might prove to be the deciding factor."

The Premier added:—"It is this sense which is always with us. I am sure that it has a very great influence in the preservation of world peace."—Reuter.

## British War Office Does Fine Action

SPECIAL TO THE "N.C.D.N."

London, Dec. 15.

The considerate action of the War Office in ordering the special release of Corporal John Walker, of the Royal Army Medical Corps in Hongkong, has brought joy to his aged mother, who is on the danger list at St. Leonard's Hospital, Hoxton.

It was the mother's constant calls for her only son that induced Mr. Ernest Thurtle, Labour M.P. for Shoreditch, to intervene with the War Office, which telegraphed instructions that Corporal Walker's leave should be advanced to enable him to hurry home.

The troopship Dorchester had sailed on the previous day, but Walker caught the Gneisenau and reached Scuthampton last night, a day ahead of the Dorchester.

Mrs. Walker, a 63-year-old widow, showed marked improvement on hearing that her son was returning, and was still better when informed that he had arrived to visit her this morning.—Reuter.

## British Empire Still Strong

SPECIAL TO THE "N.C.D.N."

London, Dec. 16.

Reference to his speech on the future of the British Empire at the Constitutional Club on Tuesday was made by Mr. Malcolm MacDonald, the Dominions and Colonial Secretary, at a farewell luncheon yesterday to Sir Harry Batterbee, new British High Commissioner for New Zealand, at the Royal Empire Society, Mr. MacDonald hypothetically, yet good humouredly, referred to the wrong deductions which might possibly be drawn by newspapers from the incidental remarks in the speech he was then making.

"I do not think, despite what I am reported to have said," the Colonial Secretary declared, "that much strengthening of the ties between the Dominions and this country is needed, and perhaps no strengthening of the ties between New Zealand and this country is needed."

A firm defence of Mr. MacDonald was made by the Prime Minister, Mr. Neville Chamberlain, in the House of Commons yesterday in reply to questions provoked by perturbation over Mr. MacDonald's speech regarding the future of the British Commonwealth of nations.

Both Mr. Arthur Henderson, Labour member for the Kingswinford division of Staffordshire, and Lt.-Cmdr. R. T. Fletcher, Labour member for the Nuneaton division of Warwickshire, asked if Mr. MacDonald's address expressed the Government's policy.

In reply, Mr. Chamberlain said that the speech, which was only partially reported in the press, "included a statement on various influences at work in the Commonwealth of nations, and it gave the Minister's reasons for his firm faith that the nations of the Commonwealth will survive in co-operation together, whatever crisis they may have to face in future" (cheers).—Reuter.

## Spectacular Defence Rally in Australia

Adelaide, Dec. 15.

"Let us hear less of the defeatists' hopelessly one-sided picture of the British Empire and a threatened Navy unable to cope with defence," declared Mr. Joseph A. Lyons, Australian Prime Minister, in addressing a spectacular defence rally here today.

While emphasizing the need for recruits, Mr. Lyons added: "Because of the depth of our faith in democracy, we do not know the phrase 'the decline of the British Empire'."—Reuter.

# Sea Power, Britain's Strength

## Sir T. Inskip Declares Rearmament Programme Will Suffice to Implement Nation's Foreign Policy

SPECIAL TO THE "N.C.D.N."

London, Dec. 14.

"THE unity and integrity of the British Empire depend upon the maintenance of sea power," declared Sir Thomas Inskip, Minister for the Co-ordination of Defence, in a speech yesterday. The Navy, including the mercantile marine, he added, was the ultimate sanction of British unity.

Referring to the Singapore defences, Sir Thomas Inskip said that "they have had a profound effect both on the safety and unity of the Empire. The defences represented an achievement of the very first magnitude. It means that we have a world-wide system of formidable defences.

"We are completing our defences, both at home and in other parts of the Empire, so that it may no longer be necessary for us to refrain from appropriate action and that no longer may our Foreign Secretary or our Prime Minister in this or any other country be hampered by considerations of weakness or default on our part."

### Industry Will Respond

In the next twelve months, the engineering industry, given continued goodwill on the part of employees and employers, will achieve an output that will satisfy all Government departments.

This view was expressed by Sir Commander Charles Craven, Chairman and managing director of Vickers-Armstrong, Ltd., and the English Steel Corporation, Ltd., speaking at a luncheon of the National Union of Manufacturers at Birmingham yesterday.

Sir Charles added that, to achieve success, they must "know what is required of them."

He also declared that the response to the appeal to the armaments industry to speed up production had been "far greater than the general public realizes."

Today, Sir Charles stated, leading armaments firms and other engineering concerns all over the country had work valued at many millions of pounds.—Reuter.

### Britain's Merchant Fleet

London, Dec. 13.

An attack upon the Government over the "decadence of Britain's mercantile marine," was delivered in the House of Lords this evening by Lord Lloyd, former High Commissioner of Egypt and Governor of Bombay.

He stressed the strategic importance of the merchant fleet and pointed out that British shipping has of late been virtually excluded from Baltic trade with Russia by Government-owned Soviet vessels.

"We are being driven out of Far Eastern trade, too, by subsidized Japanese competition," he continued.

"Trade on the Calcutta-Japan run in 1913 was wholly British; it is now 61 per cent. Japanese.

"Shipping on the Bombay-Japan route was practically all British before the Great War but now it is 80 per cent. Japanese.

"This is in our own area while India-Japan shipping trade as a whole is now 73 per cent. Japanese.

"The same story is going to be told of Australia-Japan trade, which is now 79 per cent. Japanese. The same process is beginning in African trade."

### U.S. Competition Noted

He also emphasized the position of American competition in the Pacific.

He recalled, "In the case of Japanese competition, the whole question was referred to the Imperial Shipping Committee two years ago and as far as I know, nothing has happened.

"Surely these cases have created some reason for having a Shipping Ministry."

Other spokesmen supported Lord Lloyd's views. The Viscount Runciman, Lord President of the Council and recently in the limelight as investigator of the Czech-Sudeten crisis, replied on behalf of the Government.

He emphasized their efforts to aid British shipbuilders and ensure the security of British navigation.

"We have been taking energetic measures to deal with our shipping interests in the Mediterranean and elsewhere....

"Very shortly we will have to face a difficult situation in the Far East," he stated.

The Government would not remain inactive, however, he concluded but were depending on the co-operation of the shipping industry itself.—Havas.

## Japanese Envoy Leaves The Hague

The Hague, Dec. 17.

Queen Wilhelmina today granted a farewell audience to the Japanese Minister, Mr. Kazue Kuwajima. Mr. Kuwajima was to leave at once for his new post as Japanese Ambassador to Brazil.—United Press.

## Prime Minister on British Colonies

London, Dec. 14.

Mr. Neville Chamberlain, Prime Minister, declared in the House of Commons yesterday that he had nothing to add to the statement on the Colonies made on December 7 by Mr. Malcolm MacDonald, the Colonial Secretary.

This was in reply to a request by Mr. Duncan Sandys, National Conservative member for the Norwood division of Lambeth, to give an assurance that the Government would not enter into negotiations with any Foreign Power regarding proposals for the relinquishment of British sovereignty or administration with respect to any British colonies, protectorates or mandated territories, without previously obtaining the consent of Parliament.

Mr. Sandys asked: "In view of the fact that Mr. MacDonald's statement contains no undertaking that Parliament will be consulted before and not after entering into negotiations with foreign countries, would the Prime Minister give a special assurance?"

Mr. Chamberlain replied: "No, I do not think I can undertake that."

In his statement on the Colonies on December 7, Mr. MacDonald said that "no re-distribution of colonial or mandated territory will be made without the consent of the inhabitants as part of a general peace settlement.

He also emphasized that it would be impossible for a Government to do anything with regard to this matter without the House of Commons having the fullest possible opportunity of discussion.—Reuter.

## British Cabinet May Be Reshuffled

London, Dec. 14.

Parliamentary circles here stated today that a Cabinet reshuffle may be expected at the end of this year.

Lord Maugham, whose appointment as Lord Chancellor was all along considered only provisional, would resign and be replaced by Sir Thomas Inskip, at present Minister for the Co-ordination of National Defence, it was asserted.

Mr. W. S. Morrison would leave the Agriculture Ministry and take up another portfolio, and Lord Winterton would leave the Cabinet altogether, the same quarters concluded.

The Labour Party will present on Monday a motion of censure refusing to voice confidence in the Government's foreign policy.—Havas.

## "Self Help" Scheme For Lancashire

London, Dec. 17.

A "Self Help" scheme, whereby it is proposed to reorganize Lancashire's cotton industry, and strengthen its competitive power overseas, is being launched in revised form by a Joint Committee of cotton trade organizations, which is meeting at Manchester.

It is proposed to appoint a Cotton Industry Board, consisting of a chairman, and fourteen other members, of which the chairman and two other members must be independent, and must relinquish any financial interest they may have in the industry.

The Board would review schemes submitted by the trade, and submit them for approval to the Board of Trade.

After being laid before Parliament, such schemes, unless they were rejected, would be given statutory force.

The maximum expenditure provided for rises in three years from £60,000 to £150,000 sterling, the funds to be used in order to facilitate the Board's work.

A draft of the Committee's scheme will be submitted to 4,000 firms for approval early next week, and if approved would be made the basis for a Bill, which, it is hoped, would become law before the next Budget.—Reuter.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

*FOREIGN TELEGRAMS (continued)*

# U.S. Drug Firm Scandal

## McKesson and Robbins Manipulations May Cost Shareholders $20,000,000

New York, Dec. 17.

FEDERAL and State officials tonight intensified their investigations of allegations that Philip Musica, alias F. Donald Coster, who shot himself in his home yesterday, during his fantastic mal-administration of the affairs of the reputable drug firm of McKesson and Robbins had exported arms and ammunition to warring nations, thereby violating the Neutrality Act.

Meanwhile, Federal agents, ordered to check Musica's income tax returns for several years back, expressed the fear that the 13,500 shareholders of McKesson and Robbins would lose a total of U.S.$20,000,000 through Musica's manipulations of the firm's affairs.

While State Department officials professed themselves to be without information concerning the shipments of arms to belligerents, Acting U.S. District Attorney, Mr. Gregory F. Noonan, said that investigations had so far revealed large-scale shipments to belligerents in Bolivia and Spain. Mr. Noonan said that the evidence of large-scale munitions deals had already reached such proportions that he had called a conference of all investigating agencies on Monday to consider that phase of the investigations.

The ramifications of the scandal tonight reached such a magnitude that the New York Attorney-General's office ended its public hearings and was learned to be taking secret evidence involving charges that someone concerned in the firm had supplied arms to Bolivia during the Gran Chaco war hoping to corner the Bolivian quinine market.

### Arrests For Gun Running Expected

Federal agents this evening revealed that others "just as important" as Philip Musica were involved in the affair. The Assistant U.S. District Attorney Mr. Irving Kaufman said: "Based on certain facts in our possession we know there are other people —I would not say higher in the scheme, but just as important as 'Coster'".

The three surviving Musica brothers, George, Arthur and Robert, were still held in jail tonight, being unable to furnish bail which was set at U.S. $100,000 each. In addition, subpoenas have been issued to one Republican and one Democratic politician in Connecticut, and also to two of the Musica sisters. It was also strongly hinted that other persons unrelated to the Musicas might be arrested shortly in connection with the gun-running and other crimes attributed to Philip Musica.

The Securities and Exchange Commission, the U.S. Treasury, the Post-office, the Department of Agriculture and the New York District Attorney's Office were each pursuing independent investigations of the huge scandal which has already developed international ramifications and appeared to involve crimes ranging from the adulteration of drugs to gun-running and the fraudulent listing of assets.

From Washington it was reported that the chief of the Department of Justice's Criminal Division, the Assistant U.S. Attorney-General, Mr. Brien McMahon was coming to New York on Monday to coordinate the work of the half-dozen or more agencies involved in the investigations.

### Trustee Starts Re-organization

From San Francisco came the disclosure that Mr. Charles F. Michaels, of San Francisco, had assumed direction of the affairs of the stricken firm of McKesson and Robbins. He was reported to be already in New York, directing the work of complete re-organization of the company in the capacity of a trustee.

From Montreal it was reported that the authorities there had arrested one John Cantor, who was alleged to be connected with the gun-running phases of Musica's activities. He was charged with receiving money under false pretences.

From Washington came word that the Department of Commerce had also entered the case and was investigating the registry of Musica's yacht, due to thus far unverified reports that he had ordered the craft to be prepared for an ocean voyage a few days ago.

### All Commitments Will Be Met

In London, Mr. C. S. Daniel, one of the three directors of McKesson and Robbins, Ltd., said that the trustees of the American firm had cabled him from New York with instructions to "carry on business as usual. All commitments will be met." Mr. Daniel told the press that the London firm had practically no connection with the American Company. "We are quite sound financially," he said. "All commitments will continue to be met as ordinarily."

In New Haven, Connecticut, George Musica, who was known as Dietrich, was arraigned on four counts of violations of the Securities and Exchange Commission's provisions. Federal agents also questioned him for three hours on alleged gun-running and liquor deals.—United Press.

## *Chinese Held for Big Opium Seizure*

Honolulu, Dec. 17.

Customs and police authorities today seized eighty tins of opium, valued at US$30,000, aboard the Canadian Pacific liner Empress of Japan, which arrived from Vancouver, in the biggest narcotic haul since 1936. Five persons were arrested, headed by a Chinese, Ching Chun-hee, a 58-year-old narcotic addict on probation here. Three Hongkong Chinese crew members of the Canadian liner were also seized. Ching was released after preliminary questioning on a bond of US$10,000.—United Press.

## Observes Foresee U.S. Retaliation

Washington, Dec. 17.

International developments, particularly the alleged German, Italian and Japanese discriminations against American citizens, were today apparently forcing the United States into some sort of retaliatory economic action, diplomatic observers said today.

High members of the Administration said that the threat against American activities on the part of the dictator countries would probably develop a wave of public sentiment which would leave no alternative but for America to retaliate in any manner that proved possible.

Some diplomats regarded the latest note to Berlin as a "storm warning," indicating that the United States would take every step to protect American interests. However, officials of the Government were without knowledge as to what measures could or would be taken under the existing statutes.—United Press.

### Will Assist Western Trade

London, Dec. 18.

The Diplomatic Correspondent of the "Sunday Times" understands that the examination of proposals for assistance to China, in connection with Export Credits, has now reached a more definite stage.

He says that it seems fairly certain that as a start, credit of about £450,000 will be made available to the Chinese Government for the purchase of capital goods, chiefly lorries, under a Bill which is now passing through Parliament, and which allots £10,000,000 for export credits to be granted in the light of political as well as commercial considerations.

Taken in conjunction with the credit of £5,000,000 which is being extended to the Chinese trading group by an American bank, the correspondent declares that this should enable China to develop trade with Western countries through Burma.—Reuter.

## Three British Soldiers Ambushed at Nablus

Jerusalem, Dec. 15.

One private was killed, and two other rankers of the First Battalion, the Green Howards, were wounded today, when they were ambushed at Nablus. Reinforcements of the Green Howards were rushed to the scene, and are believed to have inflicted a number of casualties on the ambushers.

Sheikh Mahmoud Elanzari, leading Muslim dignitary, was shot dead by an unknown Arab today, when walking in the New City, Jerusalem.—Reuter.

The Statues of the New and Old Worlds

## Argentine Leading Lima Conference

New York, Dec. 15.

The Argentine has taken command of all matters, to be dealt with at the Pan-American Conference, relating to defence and strategy in the American continent, according to the Lima correspondent of the "New York Times."

The correspondent adds that the Argentine delegations has taken over the drafting of whatever "United American Front" declaration may be presented at the Conference.

General Campanni, the Italian Minister to Panama, who, according to the correspondent, is understood to be the organizer of Fascist units throughout Central America, has arrived at Lima to act as an observer at the Conference.—Reuter.

### German Pressmen Walk Out

Lima, Dec. 15.

The submission of three proposals for "quarantining" the Western Hemisphere against foreign propaganda was the main development at yesterday's session of the Pan-American Conference.

The proposals, which were drafted by Argentine, Uruguay and Brazil, are now being studied by the Committee of the Conference.

The spontaneous applause that greeted the Haitian delegate's denunciation of countries governed by theories of racial and religious intolerance is considered significant. At the end of the speech five German correspondents walked out as a protest.

It is understood that the United States delegation intends to introduce a resolution pledging the American Republics to do everything possible to reduce tariff barriers.

The Peace Committee is at present considering a resolution opposing recognition of territory conquered "by force, undue pressure or threat of force."

All committees are working at top speed in an effort to clear off as many problems as possible before the anticipated adjournment near Christmas.

"Unless I am greatly mistaken," Mr. Cordell Hull said yesterday in reporting on the progress of the conference, "the attitude which prevails here is that the American nations have decided to defend the principles of the institutions which they have freely created for themselves."—Reuter.

### Mexico Proposes Ban

Lima, Peru., Dec. 14.

Mexico tonight proposed that the eighth Pan-American Conference bar the use of force for the collection of international debts.

Argentina accepted in principle a United States project which would bind all 21 American Republics to do everything possible to lower their tariff barrier.

Observers saw in Mexico's project an attempt to line up continental support for its seizures of oil properties and lands as well as its failure for several years to meet its international financial obligations.—United Press.

## British Exports Reach New Height

SPECIAL TO THE "N.C.D.N."

London, Dec. 15.

Features of Great Britain's overseas trade in November were the value of exports, which was the highest for any month in 1938, and the fact that the adverse visible balance of trade was further reduced.

Comparative figures in the Board of Trade returns show that imports last month totalled £78,028,496, exports £42,923,223 and re-exports £5,113,912 as against £97,268,371, £45,183,169 and £5,305,646 respectively in November last year.

For the first eleven months of this year imports totalled £846,948,164, which was a reduction on a similar period in 1937 of £88,774,906; exports £432,000,578, a decline of £45,979,268; and re-exports £56,808,373, a reduction of £13,415,631.

These figures give an adverse visible balance of trade of £358,139,208, although a year ago the amount was £387,519,215.—Reuter.

## U.S. Sends Another Note to Germany

Washington, Dec. 16.

Mr. Sumner Welles, Under-Secretary of State, today revealed that the American Charge d'Affaires in Berlin, Mr. Prentiss B. Gilbert, had yesterday handed to the German Foreign Ministry a new Note concerning the treatment of American Jews in Germany, requesting an immediate assurance by the Reich that the German Government would not discriminate against American Jews in Germany. The Note further expressed the "disappointment" of the United States Government over the failure of the German Government to give this assurance as previously requested.—United Press.

## Suez Canal Dues Being Reduced

Paris, Dec. 14.

The reduction of the Suez Canal dues by threepence from six shillings per ton from tomorrow is unconnected with the "pretensions voiced in the Italian press," it is emphasized by a high official of the company, interviewed by Reuter today.

He added that the reduction was a result of a decision on a principle communicated to a meeting of shareholders in June.

This, he stated, was followed by the fixing of the new rate, which was adjusted at a meeting of the Board last September.—Reuter.

## World Missionary Council Opens

Madras, Dec. 13.

The breakdown in solemn agreements and established order in the world was deplored by Dr. John R. Mott, Chairman of the International Missionary Council, in a speech at the opening of the World Missionary Conference here yesterday.

No less than 475 delegates from 64 countries were present, including Chinese, Japanese, Africans, Indians, Jews and Arabs from Palestine, a delegation from the German Evangelical Church, and one archbishop and eleven bishops.

The gathering presented a colourful picture, many of the delegates wearing the picturesque costumes of their countries.

The Conference is noteworthy as being the first in which the churches of the East and West are represented in parity.

Dr. Nott declared that the delegates had assembled at one of the most fateful moments in the life of mankind. He referred to the widespread disintegration of moral ideas and authority, making it necessary to fight the battle for religious freedom over again.

### No Time for Despair

They, however, he added, did not despair, because they knew that their attitude must be adventurous, forward-looking and forward-moving.

The Conference will last until the end of the month.

Churches of all denominations, with the exception of the Roman Catholic, are participating in the Conference.

The Chinese delegates include Dr. Cheng Ching-yi, moderator of the Church of Christian China; Dr. Chao Tsu-chen, Professor of Philosophy in Yenching University, Peiping; Dr. T. Z. Koo, known throughout Europe and America as a speaker to students; and Dr. Wu Yi-fang, woman president of Ginling College and Chairman of the National Christian Council of China.

The leader of the Japanese delegation is the world-famous social reformer and author, Dr. Toyohiko Kagawa.—Reuter.

## Australia Must Keep Hold on New Guinea

Brisbane, Dec. 14.

"No matter what pressure is applied, we must keep our hold on New Guinea at all cost," declared Mr. A. M. Hughes, Australian Minister for External Affairs, speaking at a meeting here today.

The meeting was held to launch a recruiting campaign.—Reuter.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## Trade Agreement With Germany

London, Dec. 15.

Hopes of reaching a trade agreement with Germany were voiced in the House of Commons today by Mr. Oliver Stanley, President of the Board of Trade, when he made an address summing-up for the Government at the close of the debate on the Export Guarantees Bill.

He stressed that Britain does not wish to enter into an economic war with Germany.

"We do not want to fight and we do not believe that there is any need to fight. We believe that it is better both for us and for Germany to come to an amicable agreement with regard to sharing the market which will enable us both to carry on fair trade at fair prices instead of the ridiculous and ruinous cutting of prices that we see today.

"We are hopeful that it will be possible to reach an agreement of that kind with mutual benefit but if we fail to reach the agreement which we sincerely desire, we should find it necessary to put into operation those methods with which we now feel it right we should arm ourselves."

When Mr. Stanley concluded his speech, the House adopted without division the second reading of the Export Guarantees Bill.

### New Pact Envisaged

Mr. Stanley's declaration was much commented upon in the Lobbies this evening. It was interpreted as a sign of an impending Anglo-German commercial pact, and was linked to the contacts today between British Government personalities and the visit of Dr. Hjalmar Schacht, President of the Reichsbank and former Finance Minister.—Havas.

### Trade Parleys Break Down

London, Dec. 17.

Failing in his efforts to secure a trade agreement with Britain and a settlement of the Jewish refugee problem during his three-day visit here, Dr. Hjalmar Schacht, President of the Reichsbank and former German Finance Minister, was expected to return to Berlin today.

During his brief stay in London, Dr. Schacht held several important conference with such financial powers as Mr. Montagu Norman, Governor of the Bank of England; Sir John Simon, Chancellor of the Exchequer; Sir Frederick Leith-Ross, Chief Economic Adviser to the Government; Mr. Oliver Stanley, President of the Board of Trade; Lord Winterton, President of the Refugee Committee; and Mr. George Rublee, Director of the Inter-Governmental Refugees Office here.

When he saw Dr. Schacht yesterday, Mr. Stanley is understood to have explained the significance of his speech when he declared that Britain was ready to enter parleys aiming at a trade agreement with the Reich.

### German Conditions Stated

Dr. Schacht then suggested, well-informed quarters added, that Anglo-German negotiations aim rather at a settlement of the short-term credits problem first. Then a general agreement could be reached. He failed to obtain the support of the British leaders for the proposal.

Dealing with Jewish emigration from Germany, Dr. Schacht told Lord Winterton and Mr. Rublee this afternoon that the Reich was ready to enter bilateral negotiations with each of the 32 nations who were represented at the recent Evian Conference.

The basis for such negotiations would have to be; that each of the countries receiving emigrants would agree to increase imports of German goods in proportion to the property that Jewish refugees would be allowed to take out of Germany with them.

Upon receiving full details of the Reich's proposition, it is understood that the British authorities and the Refugee Office officials deemed the scheme inacceptable and instead decided to forward counter-proposals to Berlin. These, Dr. Schacht is now taking to Germany.

### Counter-Proposals Made

These counter-proposals provide that German commercial legislation should become more elastic while the Reich should also make a contribution towards facilitating Jewish emigration by forming a special fund.

Funds would be furnished not only by an increase in foreign exports, the counter scheme foresees, but also by a parallel increase in German exports and German imports from the immigration countries. The Reich's Government would also be asked to give up part of their sterling credits to be provided by a clearing agreement.

Well-informed quarters believed that Germany was unlikely to accept these proposals but there appears no hope for a settlement through the British authorities' or the Refugee Committee's yielding to Dr. Schacht's original plan.—Havas.

## Canada's Position In Event of War

Ottawa, Dec. 16.

A resolution seeking to clarify Canada's position in the event of Great Britain becoming involved in a war, will be introduced by Mr. J. S. Woodsworth, leader of the Co-operative Commonwealth Party, (which is socialistically inclined) when Parliament reassembles in January.

The resolution reads:

"This Parliament hereby declares to other members of the Commonwealth and the world, that the power to make a declaration of war binding upon Canada is vested solely in the Crown on the advice of its Canadian Ministers and calls upon the Government to introduce, in the present session, such legislation as may be necessary to give full effect to the force of this declaration."

This resolution refers to the legislation enacted in South Africa in 1934, which, it says, gave the Government full internal control over the exercise of the Royal prerogative on behalf of the Union of South Africa.—Reuter.

## Lancashire Employers, Employees Demonstrate

London, Dec. 16.

Carrying burning torches, and protected from a pouring rain by umbrellas, several hundred employers and employees last night marched to a meeting at Blackburn to protest against what they consider to be Parliamentary apathy towards the Lancashire cotton trade.

The demonstration was arranged by the "Red Rose Cotton Campaign," which is urging assistance for cotton.

The meeting was attended by 2,000 persons, who passed a resolution urging the Government, in all future trade pacts and negotiations, to take such action as was necessary to improve the cotton industry.—Reuter.

## U.S. Trade Policy Being Changed

London, Dec. 12.

Not the least of many matters under consideration in Washington is the adjustment of the American trade policy to the discriminatory practices of Germany and Japan, according to the Washington correspondent of "The Times" in an article published here today.

After analysing the situation vis-a-vis Germany, the correspondent says that, in Japan's case, no finding of discrimination against American trade has yet been made but evidence has piled up of a sort to make such a finding almost obligatory.

The whole movement of Japan's policy in Manchoukuo and China proper, he adds, is such as may compel action.

There is plenty of legal authority, continues the correspondent, for a retaliation of a more severe kind than has already been taken against Germany.

If this is decided upon, he declares, both Japan and Germany would be affected by the application of the provision which authorizes the President to exclude any or all articles from a discriminating country.

The correspondent adds that since retaliation is a double-edged weapon, its full use requires careful study and this is being given.—Reuter.

## Roberts Heights Renamed

Pretoria, Dec. 16.

Roberts Heights, a well-known military establishment situated on the outskirts of Pretoria, and named after Lord Roberts, has been renamed Voortrekker Hoogte (Voortrekker Heights).

This was announced by General Kemp, who is acting as Minister of Defence in the absence of Mr. Oswald Pirow, when he addressed a large audience in the amphitheatre of the Voortrekker canvas city yesterday.

An incident occurred in the Voortrekker celebrations yesterday when Mr. E. W. Douglass, former Attorney-General of Cape Province and a member of the Celebrations Committee, was howled down when he attempted to address the gathering of many thousands in English. He was scheduled to speak in English.

Mr. Douglass eventually spoke in Afrikaans and was cheered.

Dr. Breyene, Professor of Afrikaans in Berlin University, was also cheered when he spoke in Afrikaans and a section of the crowd afterwards gave him the Nazi salute.—Reuter.

## Japanese Said Making "Scotch Whisky"

Glasgow, Dec. 16.

An interesting description of "polite Japanese Gentlemen at Cambeltown, who made friends with distillery officials, and took copious notes and sketches," was given by an expert chemist, called as a witness in the "Scotch Whisky" case which is enthralling all Scotland.

The witnesses added: "Shortly afterwards, Scotch whiskies were made in Japan, but they did not have Scotch characteristics. They were poor imitations."

Witness insisted that Scottish water was indispensable to make Scotch whisky.

Asked whether the Japanese had renamed a Japanese town "Aberdeen," in view of their calling their concoction "Aberdeen Whisky," the witness could not say.

The trial is being held to decide whether a blend of 33 per cent. Scotch, and 67 per cent. Irish can legally be called Scotch whisky.

Counsel for the defence cited Jerusalem artichokes, Brussels sprouts, and Spanish onions, stating that these items were not necessarily fraudulent because they were not produced in these particular countries.—Reuter.

## *Pope's Condition Alarming*

Vatican City, Dec. 19.

Pope Pius has had another heart attack and the condition of His Holiness is alarming.

The Pope, who yesterday inaugurated the third year of the Pontifical Academy, was described as more vigorous than usual, and spoke for three quarters of an hour on the theme: "Christmas, and the marvels of eternal science."—Reuter.

## Women Want Higher Defence Posts

SPECIAL TO THE "N.C.D.N."

London, Dec. 18.

British women civil servants want a share of the higher posts in the three Defence Departments. At present, they are excluded from the Administrative and Executive classes.

"Unwillingness to employ women in these categories is understood to rest upon the idea that, since women do not form a part of the fighting forces, they should not be entrusted with any share of responsibility for the control or equipment of those forces," states the official organ of the National Association of Women Civil Servants.

It adds that "the Civil Air Guard is open to women and plans have been made to recreate the Women's Auxiliary Forces on modern lines. The idea that the Defence Departments are concerned exclusively with males is thus refuted."—Reuter.

## Japan Under No Illusion About China

Washington, Dec. 14.

Mr. Yakichiro Suma, Japanese Chargé d'Affaires in Washington, today made a speech in which he predicted the development of a federal form of government for China.

Mr. Suma stated that the natural development of the situation in China would probably lead to a federal system of government, with the agreement and participation of four regional governments in the central organization.

"We Japanese," he declared, "are not under the illusion that we can 'conquer' China. That is not our aim and never has been. We are surgeons and this conflict has been a major operation. However, China will heal herself."—United Press.

## Canada to Commemorate Royal Visit

SPECIAL TO THE "N.C.D.N."

Ottawa, Dec. 16.

A new silver dollar will be struck shortly by the Royal Canadian Mint to commemorate the visit of the King and Queen next year, acording to an announcement today by the Prime Minister, Mr. W. L. Mackenzie-King.

The coin will bear the likeness of King George on one side, and a design symbolising the visit on the other side.

Three series of stamps will also be issued—three-cent red, bearing the likenesses of the King and Queen, two-cent brown depicting the National War Memorial which the King will unveil, and one-cent green with the features of the Princesses.—Reuter.

## Jews Dismissed In England

London, Dec. 16.

Invited by Lt.-Cmdr. R. T. Fletcher, Labour member for the Nuneaton division of Warwickshire, in the House of Commons yesterday to make a statement concerning the dismissal of British-Jewish employees by German firms in London before Christmas on instructions from abroad, Sir Samuel Hoare, Home Secretary, said he was aware of the allegations made of such terminations of service but he had no knowledge that it was done under instructions from the German Government.

He could, however, give an assurance that permission would not be given for the importation by any firm in Great Britain of any foreigners to fill a post which could be filled by a person resident here and possessing the necessary qualifications. Lt.-Cmdr. Fletcher then said he had two fully authenticated cases of such dismissals, in one of which a man employed for seventeen years by one firm and who was told that he was discharged on account of his faith.

The Home Secretary asked Lt.-Cmdr. Fletcher to furnish the particulars and added that in such a case he certainly would not allow an immigrant to replace him.

The Labour member then asked if the Home Secretary had no powers to compel German firms, enjoying British hospitality and the protection of British laws, and carrying on lucrative businesses, to conform with civilized standards of racial and religious toleration prevailing here.

Sir Samuel Hoare replied that he had no such statutory powers. He added: "I have shown in my answer, however, how deeply I disapprove of any action of this kind." (Cheers).—Wireless through Reuter.

### Statement in Berlin

Berlin, Dec. 16.

A Foreign Office official here yesterday categorically disavowed the knowledge that German and Austrian domestic servants would be recalled from Great Britain.

The official said: "Absolutely nothing is known here on the subject."

It may be recalled, however, that a German official in a recent speech declared that the authorities had decided next year to extend to young women the obligation to work for one year for the state owing to a shortage of labour in Germany.

A half a million young women, he said, might be conscripted for work where it was most needed, notably in agriculture.

An earlier report from London stated that all German and Austrian women working as domestic servants in Great Britain were "strongly urged" by Berlin to return to Germany by next spring. This intimation, the report continued, would affect roughly 20,000 women.

It was stated that the reason for the recall was that servant shortage had become acute, especially in north Germany.

This action in Great Britain, the report concluded, follows a similar move in Holland, where more than 25,000 German servant girls were requested to return to Germany.—Reuter.

## U.S. President to Seek New Powers

Washington, Dec. 16.

The Government intend to present to Congress next year such legislation as would permit the President to retaliate against all measures taken abroad and affecting American interests or restricting the liberties of American citizens, well-informed politicians revealed today.

Such legislation would allow President Roosevelt to take measures of reprisal against Japan and the Reich, they added. They pointed out that American interests in China have been affected by the hostilities there, while Germany has not yet even replied to Washington's Notes upon the treatment of American Jews in the Reich.

Juridical experts recalled and stressed the fact that the Tariff Law of 1930, which allowed the President of the U. S. to blacklist the Reich, is applicable only in cases of discrimination against American trade and cannot be applied in the case of American Jews in Germany.

The "unfriendly attitude of Japan" also did not fall within the scope of application of this Tariff Law. Need for new legislation therefore became apparent, they added.

Before demanding such powers, it is expected that the State Department will wait for a report from Mr. Nelson T. Johnson, U. S. Ambassador in China, and for a Note from Berlin in answer to the last U. S. Note upon the American Jewish question.—Havas.

## British War Debts to United States

London, Dec. 16.

A White Paper was published last evening regarding British war debts to the United States and contained a letter from Mr. Sumner Welles, United States acting-Secretary of State, dated December 1, which enclosed details of the amounts due.

In the letter, Mr. Welles reiterated that his Government was fully disposed to discuss, through diplomatic channels, any proposals which the British Government desired to put forward regarding payment.

In reply to the letter, the British Chargé d'Affaires in Washington assured Mr. Welles that His Majesty's Government was willing to re-open discussions on the subject whenever circumstances were such as to warrant the hope that a satisfactory result would be reached.

The White Paper showed that the net amount due for the half year to December 15 was $123,000,000, on the account of principal and interest.—Reuter.

## 'Xmas Truce Hopes For Spain Fade

Paris, Dec. 18.

Hope for a "Christmas peace" in Spain—on the third Christmas the country has passed under bombs, cold and hunger—faded completely today when the French Foreign Office received an indirect refusal from General Francisco Franco.

French war veterans, backed by Cardinal Verdier on behalf of French Catholics, in parallel demarches made to Burgos and Barcelona recently had suggested that the fighting be interrupted for a week or a month beginning at Christmas time.

The official mission representing General Franco here said that the General's refusal was based on the grounds that Spain was at war over an issue involving the life or death of the nation. Therefore the war cannot be stopped, the Nationalist leader is reported to have said, since such a move might be interpreted as a weakness in the Nationalists' determination to oust the Republicans. The Nationalists also indicated they feared such a truce might be taken advantage of by neutrals who would try to propose mediation, which General Franco has flatly rejected in advance.—United Press.

## Japanese Put Pressure Upon Britain

Paris, Dec. 12.

"For quite some time, Japanese communications addressed to the Foreign Office have been couched in somewhat threatening terms," the London correspondent of "Le Figaro" reported today.

"Authoritative Japanese quarters here declare that it would be difficult for Japan to resist any longer the requests of Japanese military chiefs to transform the anti-Comintern Pact into a military alliance unless it be possible to achieve an improvement in the relations with Great Britain, which, in other words, means that Great Britain would be compelled to accept an important modification of the Nine-Power Treaty in favour of Japan and at the expense of the intersts of Great Britain and the other signatories of the accord," the correspondent added.

"It is thus not surprising to note some apprehension in British circles revealed by official speeches made during the past few days."—Havas.

## *OBITUARY*

### Mrs. G. K. Chesterton

SPECIAL TO THE "N.C.D.N."

London, Dec. 13.

The death was announced here today of Mrs. Chesterton, widow of the late Mr. G. K. Chesterton, the writer.—Reuter.

### Mr. Raita Fujiyama

Tokyo, Dec. 19.

Japan today mourned the death of one of its leading industrialists as Mr. Raita Fujiyama succumbed to complications brought about by an attack of influenza after a three-day illness. Mr. Fujiyama who was 75 years old died at 12.55 o'clock this morning.—Domei.

CHINA UNITED APARTMENTS

*(Opposite the Race Course)*

Tastefully furnished rooms and suites, with board.

Daily and monthly rates

Telephone 90010

Cable Add: HOCHUN

*Manager*, MRS. RAMPLIN

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## SPECIAL ARTICLES

### FRENCH MISSIONS

By Tibetan

Père Valours has left the frontier for his beloved France. Arriving in Tachienlu in 1924, he spent the intervening years at different points along the border. Like most of the young French priests in the Tibetan Marshes, Père Valours soon acquired a very good knowledge of the Chinese language, and after three months study was able to take an active part in the work of his mission. An industrious student of life along the frontier he also proved himself an intrepid traveller and there are few parts of the Tung River that he did not explore from Danba to Kiating. With Louis Pasteur, now on the mission board in Paris, Père Valours made an interesting journey overland from Wasi to Mowkung, from there to Danba and down the Tung River to Wasi.

* * *

It is sometimes quite difficult in border travel that one may say he has been the first white man to pass along a certain road. This claim has frequently been made only to discover that some years ago a young French priest had tramped along this road before. There are few rugged piths, mountain trails or unknown roads along the Tibetan frontier that have been travelled over by some member of the Paris Mission Etrangères. Père Doublet, Père Gratton, Père Charrier, Père Pasteur and Père Valours have travelled along rough and dangerous roads to visit another lonely père hidden away somewhere among the mountains. Many of these brave fellows must live a very lonely existence dwelling as they do one by one in their mission stations. The yearly conference surely is a blessing and relief to them, giving as it does some intercourse with priests from other outposts.

Fortunately these men have other interests apart from their mission work. There are few scientific journals or museums throughout the world where the name of Père David does not appear. Bird, animal and insect life along the Tibetan foothills was carefully studied by this young scientist, and, as he hunted for bugs, beetles and bats, he kept his keen scientific eye on the souls of men. He was first of all a missionary and an evangelist and in his patient search for men he found time to search for flowers. In going through the dried specimens in the Edinburgh herbarium some years ago, we were surprised to find how frequently the name of Père David appeared over the head of some rare and interesting flower. Living so much alone these brave fellows devote their leisure to the study of anthropology, ethnology and kindred subjects.

* * *

Their homes are very simple and so also is their dress and menu and this gives them considerable time to devote to their daily task and any outside interest they may have. When Père Valours left the east gate his baggage consisted of 40 lb., including his food, bedding and clothes, and a little Tibetan rug he was taking to France.

As a French officer during the Great War, Père Valours no doubt discovered what he could conveniently do without and still carry on the fight, and in the good fight of faith he has also discovered that much baggage is a weariness to the flesh, not to mention the mind. So with only 40 lb. if luggage he will be able to cover, as he hopes to do, long distances every day.

* * *

When bidding this fine fellow goodbye, I was surprised to learn that it was his intention to walk to Kunming, the capital of Yunnan. "But surely you have a horse?" "No! "Then you will be riding a chair?" "No!" "What do you intend to do?" "Ride this horse," he said, and he pointed to his two legs. Kunming is a long journey from Tachienlu and is roughly between 30 and 40 horse stages. He may, however, if he wants to, pick up a horse at some of the mission stations. But his plan is to walk most of the way till he reaches the railhead at Kunming. From there he intends to travel by rail to Haiphong and Saigon, where he hopes to meet his brother, who is a missionary in the F.M.S.

* * *

Père Valours is the fifth father to leave the frontier since 1935 and naturally we are beginning to wonder if any change is taking place in the Paris Mission Etrangères. It was usually understood that when a French priest left his native French he did so for life. Père Charrier returned to France; Père Gratton followed him; then Père Pasteur and now Père Valours; and in the early part of this year Père Goré went home. Now there is some talk that Bishop Valentin might visit France. Fathers Charrier, Gratton and Goré have returned to the field, and it is said that Louis Pasteur is keen to return to his work on the frontier. Père Valours hopes to be here in one year's time. Marie des Anges, the Mother Superior, was home for a few years and is back again.

We have not heard if French pères in other parts of China are seeking rest and refreshment in their native France, if this is peculiar to the Paris Mission Etrangères, if it is entirely the kindness and consideration of the Bishop Apostolic of Tibet, Bishop Valentin, or if changes have taken place in the constitution of the Mission. That such a change should be anticipated by the authorities before it is grudgingly conceded is no doubt showing wise administration. Many of these fine fellows after ten and 20 years on the field would do well to have a rest and change, which would do much to give them a new vision of the great task to which they have devoted their lives.

* * *

Père Nussbaum, living in the valley of the Mekong, is not having a pleasant or enjoyable time as a missionary under direct Lhasa control. Yenching, the salt wells, where he spends his days, lies west of the Yangtze, and is in Tibetan territory. The fact that he spends his days in Tibetan territory was no choice of his own. One day someone drew a line saying this was Tibet and that was China and Père Nussbaum had the good or bad fortune to find himself a French missionary in the Land of the Lamas and apparently in the Land of the Lamas there is room for only one religion—that is Lamaism

The Tibetan authorities in Tsakaloteaka (salt mouth), are quite determined to make life and all that it involves impossible for this French priest. And the Tibetans have many and varied ways of doing this. It is true that man shall not live by bread alone and it is equally true that he must have some water to drink or to wash his face; so the Tibetans are resorting to ways and means of stopping the supply of bread and cutting off the water supply. Père Nussbaum is alone and he can't fight the whole Tibetan army nor can he defy the Lhasa government.

* * *

He has written frequent letters to the Bishop here in Tachienlu saying he is quite unable to stand it any longer and he fears he may have to give it up. To steal a man's boots is one thing, to cut off his water supply is another, to do both is inclined to make life almost intolerable. And Père Nussbaum is not the priest to take things lying down. The Tibetans have made numerous attempts to cut off and scatter his little flock and if this is done it will leave him with very little apart from his pipe and his tobacco.

Père Nussbaum will tolerate his water being cut off, his grain being confiscated and his supply of salt being cut down but he will permit no interference with his little flock: this touches his very life-blood and he is prepared to resist while he has strength. The Tibetan magistrate on occasion forbid the Tibetans going anywhere near the foreign mission.

* * *

Dr. Bare, a young American doctor, suffers in exactly the same way. He spends his days and sometimes his nights attending the sick along the valley of the Mekong. Some Tibetan has a serious gun wound. Dr. Bare spends time, energy and medicine and pulls the woolly nomad back to life. When he is all cleaned up and healed he offers the doctor five or ten cents worth of salt. Fortunately Dr. Bare has a keen sense of humour so enjoys the joke and attends to his next case.

There is some evidence to show that there is a difference in the Tibetan magistrates who come to Tsakalo. The present magistrate is showing himself friendly and paid a visit to the American doctor. These Tibetan officials come directly from Lhasa and no doubt represent the policy of the Tibetan Government, which in part is a Lama Government, and therefore anti-everything that would in any way interfere with the Lama hierarchy and the widespread influence of Lamaism.

Dr. Bare, Père Nussbaum, Mr. Newland and Mrs. Grubb are more or less connected with this little "pocket" and the difficulty is something like this—they are in Tibetan country with a Chinese passport and the Tibetans in no way reciprocate or appreciate their presence and no doubt, for some reasons, would like to see them go. The point which Père Nussbaum and Dr. Bare make is, if they take a holiday by the seaside their chances of re-entering Lamaland would be very small; so they are going on the principle that "A bird in the hand is worth two in the bush."

The point remains: will the Lhasa government issue a permit allowing French and Americans to reside in Lhasa-controlled territory?

* * *

Karma Trinlas reminds us that Tibetans may please themselves and travel all over India, Burma, and China and all over the world, provided they secure a proper passport, which for a Tibetan would not be difficult to get. Tibetans at the present time are travelling in different parts of the Chinese Republic, Burma, Assam and in different parts of India. It seems a strange anomaly that while Dr. Bare and Père Nussbaum were being harassed by the Tibetan authorities in the Mekong Valley the Lhasa Government should be entertaining a number of Europeans in the sacred capital among whom were Mr. Gould and Mr. Spencer Chapman, the well-known Arctic explorer.

The latest news from Yenching reports that the Lhasa authorities are prepared to confiscate or destroy the property of any Tibetans who in any way connect themselves with Père Nussbaum or Dr. Bare. Dr. Bare lives in a rented house so his position is not quite so precarious, but Père Nussbaum holds property in the name of the Catholic Church and this the Tibetan authorities are threatening to confiscate.

The Lhasa authorities are certainly not giving the Frenchman or the American domiciled in their country anything of a sporting chance. Yenching on the right bank of the Yangtze is 3,000 miles from the Coast. A policy of conciliation is no doubt wiser and in the long run probably safer, but in the meantime these two brave fellows are determined to maintain their position.

## A COUNTRY DIARY

December 11.—Went out into the Hungjao country this morning to see a paper-hunt and am grateful to the organizers of that event for at least two reasons: first, because it was an eye-opener to see that the impoverished survivors of a war-torn area could gather together in great numbers and laugh as heartily as ever at the sight of a few large gentlemen falling off small ponies: second, because a walk through the country after the hunt gave me a sight of a winter flock of Plovers. Technically I should refer to a "dopping of Plover," but I have known the birds so long I feel I can take liberties with them. These magnificent birds with their crested heads have indeed a great deal to be proud of, and their scientific name proves the purity of their descent: they are precisely the same bird from Ireland to Japan and their family name is *Vanellus vanellus*: the French refer to the bird as *Vanneau*....which merely proves that the first keen observer who saw one proceeding through the air with graceful fan-like strokes of its rounded wings gave it a name which nobody can argue about. Countrymen in various parts of the world have of course given these Green Plovers other familiar names such as "Lapwing," "Peewit" (from their call) or even "pees-weep" in the north of England. And the thought which came to me this morning as I tramped the dusty country was this: why are "ologists" laughed at because they repeat names when wishing to define a definite species such as *Vanellus vanellus*....or, worst case of all, refer to a common Hawfinch as *"Coccothraustes coccothraustes coccothraustes?"* Is it not precisely the same thing when my Scottish friends refer to a "Colquhoun of Colquhoun," or a "Wemyss of that ilk?" Or isn't it? Anyway, I enjoyed the hunt....and the Peewits.

* * *

December 15.—"Sister" happens to be a small Malayan bear living in the Jessfield Zoo: there is nothing showy about Sister....just a small black bear with a brownish face and a half-moon mark of brown on her chest.... scientific friends refer to her as *Ursus malayanus*, or something of that sort, but she doesn't mind: she happens to be that same bear which gave me so much amusement when our last snowstorm occurred and when she, poor thing, stood on her hind legs and poured the snow through her front paws as if she were saying, "now what is this all about?" Anyway she has character as this story will prove. The other morning I walked through the Zoo and found her digging in the ground in the most determined manner: she had discovered there was some barbed-wire buried below her little compound....perhaps a relic of some bygone war....and she was determined to get rid of it: she dug away with her front paw (left-handed) and bared the hidden wire with her right paw as she did so: every now and then she would pause to take a pull at at the wire: odd bits came up and scratched her face, dug into her paws and generally injured her....but she did no more than blink an eye: with superhuman strength she tugged at the wire until, to my astonishment, she pulled out a great tangle of rusty barbed-wire about two feet square in measurement. Having cast it across her little domain, she walked round it, sniffed it, and went back to her den to sleep: something attempted, something done, she sought a day's repose. And here is the queer sequel. Ever since that morning she has gone out and dug another hole; having found a lot of trouble by accident, she now goes out daily to look for it. Isn't that like the sex? Anyway, I shall take her out some sugar, the nearest thing to honey which is the favourite food of Malayan bears.

* * *

December 17.—A friend told me of an interesting incident seen from an office window at about four o'clock the other day. A skein of geese came swinging up the river in perfect formation, with the usual leader at the head: arrived above the Astor House Hotel the birds seemed to become confused and the formation broke: then a bird from the rear flew up to the previous leader and, after something in the nature of a conversation, took his place.... the usual formation was resumed and the whole "gaggle" flew over the city in a westerly direction. I wonder if one of them has spotted the Hills at Zo-se....that would probably be the only landmark to lead them to their desired feeding-grounds. The above is typical of strange little movements which can be seen just at this time of year when the cold weather is coming: Rooks unable to find sufficient food on their usual grounds will be forming into great flocks and scouring the country far and wide.....a sort of winter migration or wandering: in the case of the rooks it is interesting to note that they are often joined by large numbers of Jackdaws, some black, some pied, who travel and feed with them wherever they go; presumably the latter join their larger cousins for protection...or is it for guidance? The rook is said to be a very wise old bird. Then there are the smaller birds to be considered. Blackbirds of the previous year are already trying to scare away the new generation which they tolerated in the autumn, because food is getting scarce: Bulbuls are making up little flocks of thirty or forty to go foraging in the country: Kingfishers are keeping an anxious eye on their thermometer (the water surface which may be frozen at any time). Everyone is, in fact, wondering where the next meal will come from ....and preparing to fight his neighbour for the best place available. Dame Nature is very like the old woman who lived in a shoe....

## IN PARENTHESIS

### One on Cotton

When Henry Cotton was motoring to one of the Surrey courses, to play in an exhibition match, he stopped to ask his way. He was given his direction and told 'You can't miss it. There's a big crowd. Henry Cotton's playing.'

* * *

### Short Hole

Darkness was falling, and one of the players had to be sent ahead to shout the direction of the pin.

Out of the blackness in front came a voice. 'Do you see the moon?'

'Aye,' came back the response.

'Well, that's the direction, but no' sae far.'

* * *

### Defined

"I want to see some combs," said the young lady.

"Certainly, madame," replied the assistant, and produced a case.

"Oh, no: I want a man's comb."

"Do you want a narrow man's comb?"

"No. I want one for a fat man with rubber teeth."

* * *

### Responsibility

A scream came from the garden. Mother rushed out to find her younger son crying bitterly.

"Tommy," she said to her elder son, "how dare you kick your little brother in the stomach?

"It was his own fault," retorted the unrepentant Tommy. "He shouldn't have turned round."

* * *

### Privileged

First Visitor: I say, old man did you remember to pay your green fee.

Second Visitor: Of course. I paid my green fee at the same time as you did.

First Visitor: Well, you're not troubling the fairway much. If you've paid your money, you are just as much entitled to use it as anybody else!

* * *

### Selfish Father

Bobbie was late for Sunday School and his teacher asked the reason.

"I was going fishing, but daddy wouldn't let me," said the boy.

"Your father," said the teacher, "was perfectly right. I suppose he explained why you shouldn't go fishing on Sunday."

"Yes," replied the boy. "He said there wasn't enough bait for both of us."

* * *

### Powerful Teeth

Mrs. Fiery was born with a temper like gunpowder.

"Tell me, dear," said her husband, after one of her outbursts, "how it was I never discovered this unhappy weakness of yours during our courtship day? However did you restrain yourself?"

"Well," replied his wife, "I used to go upstairs and bite pieces out of the top of the oak dressing-table."

* * *

### Amateurish

Sam, the navvy, had been to a big fight. The next morning his pal Bill asked him: 'What did yer think of the big fight last night, Sam?"

Sam snorted scornfully. "Fight!" he growled. "Why, if the missus and me 'ad put up a show like that on a Saturday night, the kids would've booed us."

* * *

### Water Cure

Two men had been celebrating and finally ended up at an hotel for the rest of the night—or rather, morning. After they had been asleep for an hour or two, one of them awakened to a commotion and looked out of the window to see an army of firemen fighting valiantly to save the hotel. which was blazing furiously. He threw open the window, and at that moment a powerful stream of water from a fireman's hose caught him flush in the face.

At this point the other man came to.

"What ish it?" he inquired.

"'Sno good," answered the other. "'Sonly water!"

* * *

### Rhapsody In Blue

A policeman has protested in the "Police Review" against the 'unfair treatment of the erring motorist in various courts.

The massive copper on his beat
Proceeds with contemplative feet.
Remote but yet discerning:
How rarely do we pause to think
That 'neath his buttons' polished wink
A human heart is burning.

But now we shall have no excuse
For ignorance—the cat is loose—
A copper is protesting
That motorists are victimized!
No gesture could he have devised
More welcome yet arresting.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# Japan-China Economic Bloc

## Japanese Army Dominates Financial Policies of Government; Triple Military Alliance

By ARTHUR SOPHER

NO-ONE can predict, with exactitude, in what mould Sino-Japanese economic policies will find solidification. The present emergence from an amorphous into an apparently-crystalline state of the Japanese line of development is no surety as to the future course of things. An understanding of the formative stage, however, together with a recognition of inevitable modifications, would serve the interests of permanent businessmen here. To that end, let us attempt to treat the factual with the fundamental, and see what light can be had.

Before addressing ourselves to this subject of paramount concern, one must abjure the moody and negative state of mind of continual plaint and dejection and bring to the problem an acceptance of things as they are in as cheerful a spirit as possible. The existing turmoil must always be allowed-for in our budget and daily fare, fully faced-up-to and dealt with, as best we may.

For all practical purposes, the Army today is the Government of the Japanese nation. This sinew of the state, now overruling every section of the whole body-politic, has been entrusted with, or has assumed, the leadership. Civil functionaries of high distinction would not now dare to oppose this authority. What is more, such military oligarchy is possessed of the incradicable conviction, amounting to fanatical religious fervour, that it is given to them to lead the people of Dai Nippon, "the children of the gods," to a high destiny and an Asiatic overlordship. So long as this party can justify itself with success, it will continue in its present course. Not until it meets with a whole series of reversals, will it be discredited. Only time, therefore, can attest to its real validity and true worth.

### Protagonists of Power Politics

In the world situation, it has aligned itself with Rome and Berlin, both protagonists of so-called power politics. According to Mr. A. J. Cummings, writing in the London "News-Chronicle," a triple military alliance is in the offing. The gist of the proposed agreement is that the three nations of Germany, Italy and Japan, will be in close consultation with, and offer each other assistance politically, diplomatically and economically, if one party is menaced or attacked.

Coming down to the all-essential economic requisites for the advancement of Japan, how may we expect a military rulership to approach this problem other than in a brusque military manner, namely, through force. The sought-for Japan-China "co-operation"—wretched though the connotation of this word has come to have for us—is not to be achieved by delicate handling and the gentle suasion of goodwill, but by severe compulsions.

### Sincere Belief of Military

Through military weapons is seen the only means to weld not only the political but the productive powers of the two oriental nations. It is sincerely believed by the Japanese military party—however heretical that notion may seem to us—that this method will also work out to the good of the Chinese people.

Thus the system of economic regimentation and monopoly, which has long obtained in Japan proper, whereby a few colossal concerns conduct the bulk of the nation's business, has been applied in Manchoukuo, is being put into operation in North-China, and also attempted in the regions of Central China.

The biggest and most serious step adopted in this direction is the indefinite closing of the Yangtze River to any other shipping but that of Japan. There may be purely military reasons why Japanese feel justified in doing so, but to foreign powers the explanations given are not convincing.

The "North-China Daily News" reports the formation of a new Japanese shipping concern to be known as the Yangtze River Steamship Company. It is stated that this firm aims at the monopoly of all river trade between Shanghai and Yangtze ports. The Company has already held its first meeting at the Astor House Hotel, Shanghai, on Saturday, December 10, when 50 directors were appointed and a Chinese compradore. Operations are to commence next month, and there will be maintained, by sixteen vessels, regular services to all ports.

The new company is believed to be a subsidiary of the (Japanese) Central China Development Company, which aims at monopolizing all trade within the area occupied by Japanese forces, proceeding on the same lines as the China Inland Steam Navigation Co., which has secured, it is said, a monopoly of all launch services in the Shanghai area.

### Multifarious Activities

We shall not go into the multifarious activities in the economic sphere of a monopolistic character—phases of which this column has touched-upon on previous occasions. The heart of it is that there are all the signs and symbols that the new economic rule in Central China would run, if it could, along the similar monopoly pattern as elsewhere.

It is for this reason that the Government of the United States, whose hands are more free than that of any other Great Power, thought fit to address to the Government of Japan a strong Note on October 6, reciting the serious complaints of her nationals trading in China, and severely protesting against the infringement of the Open-Door policy and the provisions of the Nine-Power Pact.

The belated response in November of the Japanese was considered unsatisfactory by the United States Government who has maintained, since then, an ominous silence. The House of Lords held a debate on the same subject and endorsed the American stand in the matter, rejected as invalid all the contentions of the Japanese for restricting foreign trade.

It has been rumoured that Japan would be coming out now with an open denunciation of the Nine-Power Pact, but as yet this has not materialized. However, a *ballon d'essai*, in the form of a newspaper article appearing in the Tokyo "Asahi," on December 10, could be considered as a likely-form that such rumoured denunciation of the Pact is to take, and the reasons therefor.

### Ten Point Thesis

The article contains ten points—it goes somewhat cynically one better than the Nine-Power Pact in number of points—and attempts a reasoned exposition of Japan's new political and economic stand. We regard this statement as being one of much significance and give hereunder points concerning economic activity.

It is argued in the article that since the world is guided by the principle of economic isolation, "economic co-operation between Japan and China is inevitable and unavoidable." The writer states that "it would be most advantageous to China because realization of such economic co-operation will assure China of a market for her materials and resources. The present incident, it is stated, has occurred because the National Government of China rejected relations of mutuality and reciprocity and menaced the right of existence of the Japanese Empire." The Empire, it goes on to stress, is firmly determined to check and remove obstacles in the way of Sino-Japanese economic co-operation, irrespective of the difficulties that may be encountered.

### Rights of the Powers

There then follows a Japanese definition of what the rights of the Powers should be. These, in the new era, are to be little different from those enjoyed by foreign countries in Japan or Great Britain and the United States. "Japan, however," the text reads, "stands in the relation of life or death with China, in national defence and economic activities."

The thesis is then propounded, without any logical demonstration whatever, that the principle of equal opportunity, as enunciated by the Nine-Power Pact, would prevent Japan and China from entering into close economic relationship, reduce China to a semi-colonial market, and, in short, be interpreted as a treaty to preserve China for the sake of Europe and America. There is no cogency in the collateral argument that such a principle impairs the right to existence of the Empire, and, on the other hand, "oppresses the autonomous exercise of administrative rights by China in the economic field. It constitutes non-recognition of the national growth of Japan and China."

In clause 8 is provided an amplification as to the economic activity that the Powers should pursue in China. The dictum is that foreign trade, business enterprise, investments and so on, should not be conducted according to the articles of the Nine-Power Pact, but should be restricted within the limits dictated by the autonomy and independence of China and in recognition of the special relationship between China and Japan in accordance with the new situation in East Asia, namely:

The economic activities of the Powers in China are required not to violate the basic demand of national defence of new China as a wing of East Asiatic defence. As new China is to bear a share of the responsibility with Japan and Manchoukuo for defence against Communism, the basic industries and economic facilities required for establishing her national defence foundation are not to be bound by mere treaty obligations.

The economic activities of the Powers in China are not to impair the autonomous exercise of the economic administrative rights necessary to new China.

Apart from these two provisions, all Powers may be engaged in economic activities in China on equal footing with Japan, and under the principles of free competition and indiscriminatory treatment.

The comment is here justified that in the Japanese-occupied regions no such equal footing obtains, nor does the practice of the said free principles exist.

### Proposed Economic Hegemony

The force-given points represent the blue-print of Japan's proposed economic hegemony over China. It remains to be seen whether this rigid plan would fit in ultimately with the world pattern. In the first place, Japan has not succeeded, as yet, in annihilating the Chiang Government, who may receive a fresh lease of life in the west and south-west of China, where new means of communication are being established with the outer world for the conduct of trade and the acquisition of arms. Nor have the Japanese by any means achieved the so-called "co-operation" much harped-upon.

It is more than likely, in view of the firmer grouping of the three totalitarian nations, that the democratic Powers, in the interests of their own preservation, which is being threatened, would be gravitating towards each other. Whether they will be able to form a coalition in good time is the important matter.

So the fate of the Japan-China economic bloc will depend as much on foreign as domestic events. At present, there is no finality reached in the Sino-Japanese hostilities, nor any in sight for a long time to come, with all the sequences that such may have in its train.

## FROM THE FOUR WINDS

# Pacific Mandated Islands

## "Actually Japanese Islands by Virtue of Their Preponderant Japanese Population"

By PERCY WHITING
*"N.C.D.N." Special Correspondent in Japan*

Tokyo, Dec. 4.

JAPAN'S mandate islands in the Pacific have now become actually Japanese islands by virtue of their preponderant Japanese population, says Admiral Ryozo Nakamura in a striking article which he contributes to the December issue of the Japanese magazine called "King." Admiral Nakamura is now on the retired list but formerly was a member of the Supreme War Council.

He recently returned from a six weeks' tour of the mandated islands, Celebes, and the Philippines. Some of the outstanding points in his article follow.

There are now more Japanese than natives in the mandated islands, so any question as to their actual ownership will settle itself.

The Japanese language alone is being taught in the schools there, and the native language will entirely disappear in due course.

Japanese fishermen, based on these islands and operating in waters north of Australia supply two-thirds of the pearl and pear-shell demand of the world.

The Japanese now pioneering in the islands of the Pacific are a powerful source of future strength of the Japanese Empire.

Japan has not much of the metal gold, but the Japanese people themselves are a far richer gold mine.

Every so often speculation arises as to whether Germany, in her search for colonies, will ask Japan to return her former Pacific islands, or some of them, or whether the League of Nations will try to get them back. It is a certainty that Japan will never give them up unless compelled by force of arms. That the islands are now, in fact, regarded as virtually an integral part of the Japanese Empire is evident from Admiral Nakamura's article.

### Views Summarized

The gist of the article is appended. Conditions have greatly changed in the Pacific islands since I last visited them 22 years ago. I was both surprised and delighted by what I saw of the development of Japanese activities is these sea-girt areas.

The Pacific islands under Japan's mandatory rule consist of groups containing a vast number of small islands. The 60,000 Japanese living there outnumber the natives themselves. There are 40,000 Japanese residents on the islands of Saipan, Tenian and Lota, in the Mariana archipelago, which is the closest to Japan. In this group the natives are far less in number than the Japanese—hardly 20 per cent. of the latter, in fact.

Then there are 10,000 Japanese on Palao, and a further 10,000 Japanese on the various other islands. On all these mandate islands, there are only about 50,000 natives, who thus are outnumbered by our own people.

We hear much talk abroad about mandate power, and about who has the legal title to these islands. But as the Japanese residents thus are now in the absolute majority, and are sure to continue to increase in future, an issue such as the rightful ownership of the islands will settle itself. Facts are more eloquent than words as to the Japanese status of these territories.

"When the Japanese first occupied the islands, they found hardly any industry in existence there. Since our occupation, several industries have been developed. Japanese settlers succeeded in raising sugar cane on Saipan, and this industry has spread remarkably. The phosphorus found on Angaul Island, in the Palo group gives promise of a good future.

Another discovery in the Palao group is bauxite. Mining this has recently started. From what I observed, this deposit will be sufficient to keep the Japanese aluminium manufacturing industry supplied with raw material for at least the next 20 years.

### Independence in Key Materials

(It should be interpolated here that the Japanese, in their efforts to cut down their imports and to make themselves as independent as possible in key materials, started, among others, an aluminium manufacturing industry some half dozen years ago. This was to free themselves as much as possible from having to buy their aluminium, indispensable in manufacturing war supplies, from Canada and Scandinavian countries. Japan has been importing the necessary bauxite from Java and Greece, that from the former being used in a plant in Formosa run by electricity from the Lake Jutsugetsudan hydro-electric station.

Also some success has attended plants set up in Korea and Manchoukuo to use the low-content alumina clays found in those areas. For some years it was found impossible to attain the high standard of purity, approximately 99.9 per cent., required by the army and navy arsenals, who therefore forbade the import embargo being applied to Canadian aluminium when Japan had her trade war with Canada in 1935. Now, it is, however, understood that Japanese aluminium has attained the necessary degree of purity).

### Fishing Industry

The Japanese in the South Seas (he said) are making great progress in the fishing industry, this being one of the richest fishing-grounds in the world. Many of them, in small vessels of 30 to 40 tons, go south to the Arafura Sea, between Australia and New Guinea, to get pearl shell and pearls in waters 20 to 40 fathoms deep. These venturers are supplying two-thirds of the whole world's demand.

All primary schools in the islands for teaching the natives have Japanese teachers. All instruction in them is given in the Japanese language. The native children, therefore, all speak Japanese. I did not once hear a native speaking in his own language to a Japanese. Before long Japanese only will be spoken in the islands.

In this and other respects, conditions are quite different from what has taken place in Formosa. The men of the Chamuro tribe, on Saipan, for example, have started a movement to obtain Japanese nationality for themselves. Some of them have appealed to the Japanese officials to be allowed to enlist in the Japanese army.

The first Japanese to emigrate to the islands were from Okinawa Islands, which are quite hot. They were sent by the South Seas Development Co. because it was thought that they would have the best chance to endure the heat of the new island territories.

Nowadays, however, people even from the Tohoku districts in northern Japan, where it is cold enough in winter, are being sent to the islands, and they seem to be getting on well. This indicates that Japanese of north or south are equally adaptable to new climates, which will be of great advantage to them in emigrating to and developing other lands.

Palao is still in process of development. In the jungle, where crocodiles lurk in the streams, the Japanese colonists are hard at work cutting down trees and building huts, rather in danger of their lives, for the purpose of getting at the resources of the place. I asked some of them if they do not want to return to Japan. Younger ones showed a desire to visit their homeland again.

### Foreign Ports Visited

When I visited Menado, in the Dutch East Indies island Celebes, I was struck by the perseverance of a Japanese named Nagano, 57 years of age. He is operating a rubber plantation there. As it is not permitted to employ Japanese labour in the Dutch East Indies, he employs natives to work the plantation. They are inclined to be lazy, but by strenuous efforts from early morning till late at night in the course of three years he has managed to develop a plantation of 2,450 acres.

Next I visited Davao, in the Philippines. There the land was covered with virgin forest and nothing was done with it until the Japanese came. Tens of thousands of acres have been developed by them. They have succeeded in growing excellent hemp. The Japanese have pioneered only in Davao province. The natives have imitated the Japanese in hemp-growing and now the rest of the island of Mindanao has been developed by the natives. I thought this situation a true example of co-existence and co-prosperity Other lands should welcome Japanese more in this way.

At one time some Japanese of American birth tried to develop land in Davao. But they could not stand the hardships of clearing the jungle. Finally they abandoned the attempt and fled to America. Thus there are Japanese and Japanese.

It is certain that the work of the Japanese pioneers in the South Seas, even though it is unspectacular and scattered, will, as it progresses and spreads and accumulates, become eventually a powerful source of Japans's national strength. They share in carrying the Empire's destiny on their shoulders. In this spirit, go south, young people.

Americans shut out Japanese settlers. Evidently they think them not worthy to develop the waste places. I should like to show such Americans what we Japanese are doing in the islands of the Pacific.

I do not think there has been any decline in the Japanese people's enthusiasm in supporting our forces at the front. Who knows but what a crisis greater than any we have had yet may arise. The real strength of the Japanese will then be shown. No people on earth can compare with the Japanese. Then, fortunately, we have plenty of food. Scarcity of food is a threat to national morale, but fortunately we do not run that risk. Our government has its anxieties from time to time, but it can fully trust our people. No doubt there are bad men even among the Japanese, but someone has said the Japanese are a gold mine. I think they are even better, as the percentage of precious metal is much higher. But we must be careful not to be taken unawares.

# Children Picket Scrap Iron Ship

San Francisco, Dec. 17.

More than a thousand persons joined the picket lines around the Greek ship MS Spyros here this afternoon. The vessel, chartered by the Mitsui interests, was loading scrapiron for Japan when 600 Chinese school children marched to the pier and formed a picket line.

Congress for Industrial Organization stevedores refused to pass through this picket-line and all loading stopped. Soon the children were joined by their American school-mates and other sympathizers. Lieutenant-Governor-elect of California, Mr. Ellis E. Patterson, made a brief speech to the pickets. "We are here," he told them, "to make sure the industrialists do not profit from the blood of the Chinese."

The pickets and onlookers cheered this afternoon as three Chinese members of the crew of the Spyros quit the ship and marched down the gangplank.

Meanwhile, 96 leading Chinatown organizations held a special meeting in the "Six Companies" headquarters and passed a resolution thanking the longshoremen and stevedores for refusing to load the ship. They also cabled General Chiang Kai-shek news of the tie-up and advised him that a sum of U.S.$100,000 was en route to China to swell the country's war chest.—United Press.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# THE BOOK PAGE

## An Experienced View

AFFAIRS OF CHINA A Survey of the Recent History and Present Circumstances of the Republic of China. By Sir Eric Teichman, K.C.M.G., C.I.E., of His Majesty's Consular Service in China (retired). With 5 Maps. Methuen, London. 12/6.

Among the best books on China recently published is Sir Eric Teichman's "Affairs of China." The author does not delve into the history of the country, except as regards a survey of the complicated political conditions which resulted in the Revolution and the consequent stimulation of the patriotic feelings of the Chinese people. He has written it "in the hope of rendering the news from China more intelligible to the uninformed reader of the daily Press." And as the China news which principally interests readers abroad is what has a bearing on the position of foreigners, and their political and commercial connections, he has adopted the excellent plan of dividing his book into a number of chapters, each of which deals with the countries having treaty relations with China and discusses the points which arise in their mutual dealings.

### Not Always Welcome

The questions of the unequal treaties, extraterritoriality, tariff autonomy, are deal with separately, as are the affairs of the Customs, Posts and Salt, the Treaty ports, and of Shanghai in particular. Other chapters tell the story of the Leased Territories and the position as regards the Chinese Government in relation to the Kuomintang and the Communists, loans, railway concessions, currency, wireless and mining enterprise are similarly analysed, as well as various other subjects. The result is a volume so divided that any reader requiring information and understanding as regards a particular subject has only to turn to the chapter which deals with it. What he will find may be judged by the fact that most of Sir Eric Teichman's service has been spent in the Chinese secretariat of the British Legation, and that his position, especially during his last ten years as Chinese Counsellor, enables him to write with authority about all important matters affecting British interests. Naturally, he generally expresses the official view, but frequently ventilates his own opinions with point and force. He is often critical of what he calls the Treaty-port view, and what he says in this respect is worthy of consideration, though perhaps not welcome to some who may read.

### The Two Sides

On the subject of Japan's invasion of China he submits that there are two sides to this question, and while he condemns the Japanese he does not absolve the Chinese of blame. But he does blame the foreign Powers for the situation which led up to the conflict with Japan, though when he speaks of China's "subjugation" by the foreign Powers he seems to use stronger language than is justified. Foreigners, generally, have aimed at legitimate commercial exploitation, and if in the past they have dealt roughly, or even unfairly, with the Chinese, it is the case that since the revolution, which gave evidence of the new-born desire to regenerate and reconstruct, the foreign attitude has changed materially, as proved by the conclusion of the Nine Power Treaty in 1922. The conditions of that instrument provided that China should be given every possible opportunity of putting her house in order; and if she had made reasonable progress in that direction it can be argued that there never would have been any ex- for the Japanese to use force. It was, of course, entirely contrary to their treaty obligations that the Japanese attacked Manchuria, but it is true that the Chinese had failed to fulfil certain of their obligations to Japan, and that the Three Eastern Provinces had been dreadfully misruled, especially in the matter of the *feng piao* currency, the use of which scandalously robbed the native inhabitants as well as all foreigners with business interests.

### Japanese Policy

With the easy occupation of Manchuria, and no more than the paper denunciation of their action by the rest of the world, the Japanese soon embarked on the wider policy of penetrating into China proper. On this development the author is frank and realistic;

> Japan must, in the eyes of her strategists, occupy North China and Inner Mongolia to outflank the red republic of the Outer Mongols, and sever communications between China and the Soviet. And Japanese policy can see no middle course, between a China under Russian and one under Japanese protection. To the Japanese their real enemy on the mainland of Asia, was, is and always will be Russia .The bogy, therefore, in the minds of all Japanese is a sovietized China under Russian influence. The Japanese claim to be the bulwark shielding China from the waves of bolshevism which, they maintain, threaten to engulf her from the north, and they ascribe to bolshevism all manifestations of anti-Japanese feeling amongst the Chinese, closing their eyes to what is so obvious to others; that anti-Japanese boycotts and agitation in China are the direct results of Japan's political aggression; that the Chinese as a nation are not likely to succumb to communism; and that if anything will drive them into the arms of Russia it will be foreign aggression which they cannot otherwise resist.
>
> Japan's activities in China since 1931 have been in flagrant violation of her obligations under the Kellogg Pact and the Nine Power Treaty. Yet there are, if one would understand her point of view, other aspects of the situation which should not be overlooked. China also was, and is, bound by treaty obligations which she has sought to set aside; and, as the treaty port communities can testify, the methods of the Chinese Nationalists in seeking to rid themselves of the Unequal Treaties can be exceedingly exasperating. The causes of the conflict lie in the roots of history, in China's subjugation by the foreign Powers and in the failure of Japan to move with the times. China's struggle to emancipate herself from the thraldom of the treaty system meets nowadays with sympathy and understanding from Europe and America. But to the pre-war mentality of the Japanese, all such manifestations of Chinese nationalism are a challenge provoking a resort to arms. In Japanese eyes one treaty obligation is as binding as another, whether voluntarily undertaken or accepted under threats of force. What advantage is it otherwise for a nation to be strong enough to enforce its will? Japan's position in Manchuria had been built up by war and treaty; she claimed to be entitled, and she was determined, to treat Manchuria as an autonomous dependency — China under Japanese protection. (So had Russia and Great Britain treated Mongolia and Tibet.) Why should she allow the Chinese Nationalists to set aside her treaty rights, and the Kuomintang to unify Manchuria with the rest of China? Why, the Japanese contend, shouldt hey not expand at the expense of China, when Britain, Europe and America have long ago expanded at the expense of half the world?

### Britain and China

Sir Eric makes out a good case for British relations with China, and it cannot be denied, as he says, that the British policy has always been to promote "a prosperous, united and independent China." In referring to the difficulties which have arisen he mentions that the personal contacts between the British and the Nationalists were seldom satisfactory, and on this point there is, of course, a good deal of room for argument. The die-hards, whom he classifies as usually journalists or lawyers, have well-founded accusations against the Chinese, and some of them especially those outside the categories named, can talk by the hour about the shortcomings of the Chinese. Nevertheless, the author correctly recognizes that foreign sympathy throughout the present crisis has been with the Chinese, and that relations between the British and the Chinese are now as close and intimate as ever before. It may be remarked that one reason for the closer intimacy is that the Chinese are being forced by conduct of the Japanese to recognize that the British are comparatively angelic from the human point of view. The author claims that the Chinese historian of the future may well write down Britain as China's best and oldest friend. Yet Britain, he admits,

> has not in the past been popular in China; and Chinese of the educated classes, many of whom have been trained in American colleges and schools, tend to be prejudiced against the British and their activities in China. History can only too easily be stuffed with evidence of British imperialism in Asia. Chinese resentment, suspicion and hostility have in the past been roused by British policy in Tibet and on the Burma-Yunnan frontier (directed, though the Chinese would not believe it, solely to the protection of the Indian Empire); and by the attitude of the British Government, before their change of heart in 1926, in seeking to uphold against the rising wave of Chinese Nationalism the complicated fabric of British treaty rights and vested interests. Moreover the personal contacts between the British treaty port communities and the educated youth of China were seldom satisfactory. The average Englishman of Shanghai and the treaty ports conveyed to his Chinese fellow citizens an impression of aloof complacency, and an irritating assumption of racial superiority. Very likely he felt nothing of the kind, but could not help the atmosphere he carried with him. Social intercourse on a footing of equality used scarcely to exist. Also responsible for much of the British unpopularity in China was the old die-hard "China Hand," usually a journalist or lawyer, with his interests rooted in the exterritorial regime, who had developed an anti-Chinese, treaty port complex and regarded all manifestations of the new Nationalist China with soured and jaundiced eye..... In spite of the general chaos, civil war and spate of agitation, those responsible for the control of British policy in China recognized in the fevered nationalism of the Kuomintang a new leaven of regeneration for the decaying and disintegrating body politic of China. Local British interests at the treaty ports, too close to, and too much involved in, the maelstrom of events in China, failed altogether to grasp the true significance of what was happening. The new policy was initiated in the face of a storm of local criticism, reaching at times the levels of vituperation; and it was continued in the face of much discouragement and many obstacles. Gradually the Chinese came to recognize its sincerity and wider implications. From 1925 to 1927 China and Britain were often on the verge of war; from 1928 relations started to improve; within a year or two they were relatively good, and since then they have become as close and intimate as they have ever been before.

### Extrality and Shanghai

The chapter on Shanghai contains a good deal that is instructive of the affairs of the International Settlement and of interest to foreigners in general. The author's views on the political aspects of the whole situation are worthy of study, but it is surprising, not to say disappointing, to learn that the Governments of Britain and America "continued their negotiations for the revision of the Unequal Treaties as though Mr. Feetham and his report did not exist." It is well known here that the British Legation in 1931 had initialled an agreement with the Nanking Government practically relinquishing extraterritoriality, so far as Britain was concerned. The author throughout his volume shows disapproval of this political expedient and in one place accuses the foreign governments of having forced it on the Chinese. Yet in the Shanghai chapter he says as regards the earlier days that it was "an established principle with the Chinese officials and their Government that these western aliens should, as far as possible, be left to administer their own affairs." It also rather detracts from the author's defence of the later policy of Britain, in recognizing and endeavouring to meet Chinese aspirations, that "the British Government seemed to have lost their heads" as "British concessions were being retroceded right and left," apparently, from his own point of view, prematurely and without adequate reason.

### The Horse and Cart

Whatever Britain was prepared to do at that time, however, was entirely knocked on the head by the Japanese invasion of Manchuria, and by the fact that China thereafter appealed to the League of Nations, with most unhappy results, as all the world knows. From the Shanghai point of view, it may perhaps be said, that the only favourable effect of the Japanese aggression against China is that it put a stop to the ill-considered policy of wholesale surrender of foreign rights. The author himself, writing of the period succeeding the signature of the Washington treaties, puts on record that "unfortunately things in China were at this time in a frightful mess, going during the next few years from bad to worse, so that the continuing civil wars and political disorders furnished abundant justification from the foreign point of view for holding up even the half measures of treaty revision promised in the Washington resolutions and agreements." The question is whether the conditions described had improved to an extent which justified Britain in going ahead with revision so early as 1931. Foreigners were quite prepared to forego their special privileges step by step as China gave evidence of an effective reorganization of her administrative system. According to Shanghai opinion, including that of the British die-hards, journalists and lawyers, the British Govesnment was putting the cart much too far in front of the horse.—D.E.

## The Bible and the Child

THERE'S A STORY TO TELL Stories for Children from the Old and New Testaments. By Blanche Winder. With twenty-four colour plates by Harry G. Theaker. Ward, Lock, London. 3/6.

The writer of this exceptionally charming book for children has taken a series of stories from the Old and New Testaments, and reduced them to language readily understandable by the young child. They are the old, familiar stories delightfully well told, and excellently illustrated, quite the type of book that can be usefully employed in introducing to the young child that religion which he may be expected to follow in his maturer years. Books of this type are always welcome for not only does it give the young mind a good send off in religious adventure, but, by the style of the writing, accustoms him to good English, and by means of the very well done illustrations serve to inculcate in him a commencement of the realization of artistic values.

## A China Review

TIEN HSIA MONTHLY December. Published under the auspices of the Sun Yat-sen Institute for the Advancement of Culture and Education. 400 Ferry Road, Shanghai. $1 Per annum $9.

Mr. H. S. P. Hopkinson in his article "English Genealogical Records" in the current "Tien Hsia Monthly" rebuts the charge that genealogical research is "a snob's hobby." And why should it be?—a glow of pride is not the invariable result of a personal investigation. Mr. Hopkinson gives extracts from documents and useful advice to would-be investigators. Mr. T. K. Chuan contributes "Some Notes on Kao Seng Chuan" (The Lives of Venerable Buddhist Priests). "Language and Race in China" is dealt with by Mr. Harry Paxton Howard. A short story, "Chabancheh Malcai," by Yao Hsueh-yin has been translated by Cicio Mar and Jack Chen—the subject being adventure among guerillas. The book reviews are, as usual, very readable.

# Sixty Years Ago

FROM THE "NORTH-CHINA DAILY NEWS" OF DECEMBER 14, 1878

The Paris Exhibition:—It will be seen from the official list of awards at the Paris Exhibition that Messrs. Huntley and Palmer, biscuit manufacturers of Reading and London, have obtained the Grand Prize, the only one awarded to the biscuit trade. The honour it appears is further enhanced by the complimentary terms of the jurors' report, which was as follows:—"Unrivalled House, known throughout the world for its enormous production, and for the excellent quality of its manufacturers." Messrs. J. Moir & Son, the preserved provision merchants of London and Aberdeen, have, it appears, gained the highest Award obtainable at the Paris Exhibition, the Gold Medal. This enterprising firm appears to take great care that all their goods shall be of undoubted quality; as the following instance is sufficient to show. It appears that for several years the oranges from Seville have arrived in bad order—a large portion quite unfit for use. Under these circumstances Messrs. Moir & Son have opened a factory of their own at Seville, where in future their marmalade will be made from oranges fresh gathered from the gardens.

* * *

FROM THE "NORTH-CHINA DAILY NEWS" OF DECEMBER 15, 1878

From Hongkong:—The "Daily Press" says that latest private advices received from Singapore report the freight market there to be in a similar condition to that at present existing at Hongkong (and, it might be added, Shanghai). Sihgapore to Bombay 7s. 6d. to 10s., to Calcutta 12s., steamships 22s. Tonnage in abundance, with little demand for all bottoms. The "Press" hears that an amateur concert will be given on Thursday next in St. Andrew's Hall in aid of the sufferers by the failure of the City of Glasgow Bank. Several lady amateurs will it is said, take an active part in the concert, with some of the members of the German Liedertafel, as well as a well known Canton amateur. The object of the concert is a very laudable one, for, whatever may have been the conduct of the directors of the bank, amongst the most severe sufferers will be widows, orphans and others who have had their fortunes invested in its shares, and who by its failure will lose their all. A cricket match was played on the 7th instant, between the Hongkong Volunteers and the 74th Highlanders, which resulted in a draw, the stumps being drawn when the Highlanders had just commenced their second innings. The Volunteers made 48 and 137, and the Highlanders 74, the number of their Regiment.

* * *

FROM THE "NORTH-CHINA DAILY NEWS" OF DECEMBER 16, 1878

A discovery which may possibly turn out to be one of great importance, has just been made in America. It is that good sugar can be made from the stalks of Indian corn. The matter is considered of such general interest that the Government of the United States has taken the matter up, and the Agricultural Department is carrying out experiments to determine whether the manufacture on a large scale would be commercially profitable.

* * *

FROM THE "NORTH-CHINA DAILY NEWS" OF DECEMBER 17, 1878

The air is full of rumours respecting the future of the China Merchants' Steam Navigation Co., consequent, it may be supposed, upon the action recently taken with respect to the foundry and dock worked by the company in Hongkew. The latest rumour is, and we give it with all reservation, that Mr. Robert Hart is engaging a staff of employees in England for the special purpose of working the business on behalf of the company. Should this be true, it will give colour to what has been said respecting both the finances and the ill-success attending their administration hitherto.

* * *

An advertisement in another column intimates that the Royal English Opera Company, under the direction of Mr. H. Vernon, who was so great a favourite in Shanghai as a tenor, in the season of 1876, are expected. The Company, we are informed, contains instrumentalists as well as vocalists, a novel, but none the less attractive feature, and it is described to us as being one of the best organized yet brought to the Far East.

* * *

FROM THE "NORTH-CHINA DAILY NEWS" OF DECEMBER 18, 1878

Yesterday, in accordance with previous announcement, the principal stores in the Settlement were thrown open for the exhibition of Christmas goods; and the display, specially those of Messrs. Hall & Holtz and Messrs. Lane, Crawford & Co., was more than equal to that of either 1876 or 1877—the late Paris Exhibition having been laid under heavy contribution to add to the multifarious "attractions" obtained from England and various other countries of

* * *

FROM THE "NORTH-CHINA DAILY NEWS" OF DECEMBER 19, 1878

From Tientsin:—The weather still continues quite mild for the season, with no special indications of the river closing. But it may come suddenly any day. Last night a Hopufu, or expectant Prefect, was executed by strangling outside the West Gate. He had preferred charges in Peking against Li Hung-chang, of malfeasance in office, with specifications of dishonesty and deception of the Emperor. These charges were pronounced false, and being adjudged worthy of death, the offender was sent to Tientsin for execution. He arrived late at night, and was executed before morning. He is a southern man.

* * *

FROM THE "NORTH-CHINA DAILY NEWS" OF DECEMBER 20, 1878

Shanghai is certainly day by day approaching more nearly to the conditions of "home" life. The newly introduce furniture manufacture of Messrs. Sayle & Co., which is but the foreshadowing of other local manufactures to come. Now we have to call attention to another matter, widely different it is true, but eminently practical and useful, specially in this sport-loving community. We allude to the growth last season, by Mr. A. Ferguson, of the farm, of about 70 tons of superior English hay, of which a sample has been kindly forwarded us, which it was a pleasure to see a delighted quadrupee enjoy. Being intended for consumption on "The Farm" the farmer simply invites inspection of his well-ended stack before too large a hole is made in it by the herd. Judging from the sample spoken of, we should certainly recommend an increased growth, if possible, in the next and future seasons, for the value of the fragrant production is undoubted.

## New Fiction

About the last place where one would expect to be assassinated would be on Magdalen Tower, and yet after the choir had greeted May and the bells were clashing, Juan da Valgas was shot. The height on which he was killed made other towers suspect—and what an alpine job for conscientious detectives. Mr. Max Dalman has provided more than one murder in **"Death on May Morning"** (Ward Lock, London. 3/6) and a sweet girl undergraduate is almost added to the number. The efforts of the police are overhadowed by those of a newspaper reporter and this young girl, and the inspector in the end admits that the reporter has "done the work of an entire police force." The triumph of an amateur over a professional is always popular and the ultimate discovery that a man died because his hair was red is made amidst the very pleasantest surroundings.—M.E.

Keep to thyself any intelligence that may prove unpleasant till some person else has disclosed it. Bring, O nightingale! the glad tidings of the spring, and leave to the owl to be the harbinger of evil.—GULISTAN OF SA'DI.

* * *

No free communities ever existed without morals; and....morals are the work of woman. Consequently, whatever affects the condition of women, their habits and their opinions, has great political importance in my eyes.—ALEXIS DE TOCQUEVILLE.

* * *

Though thou art strong of arm, let thy mouth utter sweet words; it is no proof of courage to thrust thy fist into another man's face. Though thou art able to tear the scalp off an elephant, if deficient in humanity thou art no hero.—GULISTAN OF SA'DI.

## Books Received

**The Oil Vendor and the Sing-Song Girl.** V. Hundhunsen. (Poplar Island Press, Peiping. $5.50) **Black Barbary.** P. Turnbull. (Hurst & Blackett, London. 15/-). **China at Bay** W. L. Chester (Kelly & Walsh, Shanghai. $3.50) **"Heaven Knows"** M. H. Brown (Edinburgh House Press, London. 2/6) **Contract Bridge for Beginners** J. Culbertson (Faber & Faber, London. 6/-) **Beauties of Bridge** M. Dixey (Faber & Faber, London. 3/6) **My Friends the Chinese** C. Crow. (Hamilton, London. 9/-)

### Fiction

**As Once You Were.** A. S. M. Hutchinson (Nicholson & Watson, London. 7/6). **The Trains Go South** T. Lane (Jarrolds, London. 7/6) **Breasted Amazon** S. McKenna (Hutchinson, London. 8/6) **She Died Young** A Kennington (Jarrolds, London. 7/6) **The Quest of Krang** C. van Horn (Hutchinson, London. 7/6) **Venus in Trousers** K. Shannon (Hutchinson, London. 7/6)

Whoever is counselling a self-sufficient man stands himself in need of a counsellor. GULISTAN OF SA'DI.

* * *

When thou seest thy antagonist in a reduced state, curl not thy whiskers at him in contempt, for in every bone there is marrow and within every jacket there is a man.—GULISTAN OF SA'DI.

* * *

Face to face meek as a lamb, behind your back like a man-devouring wolf. Whoever brings you, and sums up the faults of others, will doubtless expose your defects to them.—GULISTAN OF SA'DI.

* * *

The parent owes to society to endeavour to make the child a good and valuable member of it, and owes to the children to provide, so far as depends on him, such education and such appliances and means, as will enable them to start with a fair chance of achieving by their own exertions a successful life. To this every child has a claim; and I cannot admit, that as a child he has a claim to more.—JOHN STUART MILL.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

# Shanghai's Social Activities

The bridge/mahjongg afternoon on December 12 at the Foreign "Y" in aid of the Cradle was well attended. (*Left hand picture*) Mrs. S. M. Gillespie, Mrs. R. T. Stivers, Mrs. B. A. Hockmuth, and Mrs. G. H. Brockway. (*Right hand picture*) Mrs. A. E. Long, Mrs. Bland Calder, Mrs. J. Doyle, Mrs. Bridges.—*N.C.D.N.*

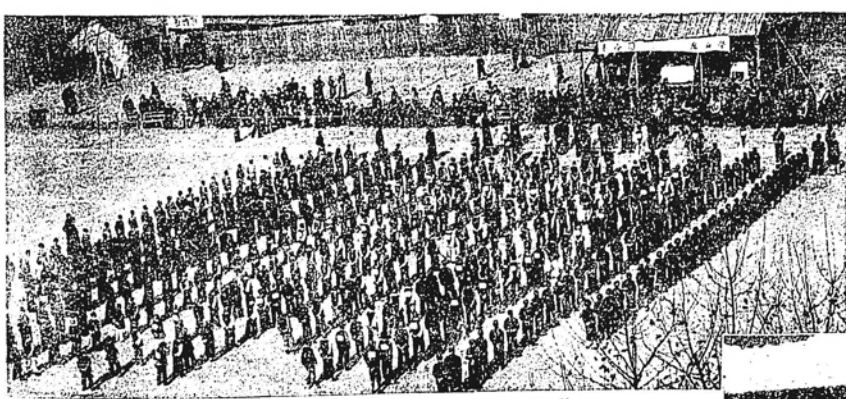
The wedding of Mr. Felizberto Roliz, son of Mr. and Mrs. J. Roliz of Shanghai, and Miss Leda Esperien, of Rio de Janeiro, took place at Rio de Janeiro on September 17 last.

At the Cradle bridge/mahjongg afternoon: (*Left hand picture*) Mrs. W. M. Gande, Mrs. M. Harris, Mrs. J. F. Vella and Mrs. P. S. Gilman. (*Right hand picture*) Mrs. Leslie, Mrs. C. W. Rayden, Miss Audrey Fowler, and Mrs. H. B. Gallop.—*N.C.D.N.*

Miss Elvie Encarnacao, whose engagement to Mr. A. (Gussie) England was recently announced.

Mr. Charles John Guignard and Miss Joan Sylvia Blown were married at the Church of Christ the King on December 10. (*Left*) Group taken after the ceremony includes Miss Phyllis Dearn, Mr. J. D. Guignard, the bride and bridegroom, Mr. H. Calder, Miss Yvonne Guignard and Mr. Rene Guignard. (*Above*) The newlyweds cut their wedding cake.—*N.C.D.N.*

# Refugee Children in Sports Display



Refugee children assembled at the start of the sports meeting.

The children were cheerful and healthy and took a keen interest in the proceedings.—*N.C.D.N.*

Among those present at the sports meeting were (*l. to r.*) M. R. Jobez, Mme. Jourdan and Mr. G. W. Boissevain.—*N.C.D.N.*

On December 11 six hundred refugee children from the Nos. 1, 2 and 6 Refugee Camps of the International Relief Committee jointly held a sports meeting on the grounds of Aurora University in Avenue Dubail. The meeting attracted some fifteen hundred public-spirited onlookers, who were asked to contribute towards the refugee fund. In the picture above are seen some of the five year olds who took part in the meeting.—*N.C.D.N.*

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

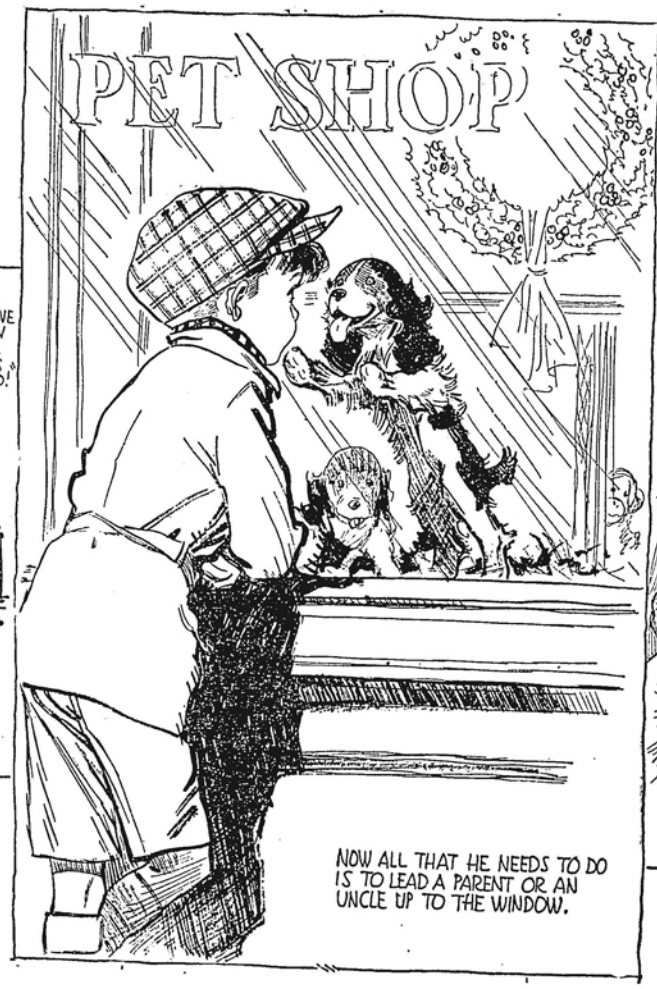
# Christmas Hoping

## VIGNETTES OF LIFE

By J. NORMAN LYND

HOPING FOR GOLD, PLATINUM AND PRECIOUS STONES—TO COVER THE EXPOSED PARTS FROM THE ELBOWS TO THE SHOULDERS.

IF YOU WISH FOR SOMETHING VERY MUCH, YOU'LL GET IT, THEY TELL US --- SO WHY NOT GIVE MENTAL TELEPATHY A TRIAL --- YOU'VE NOTHING TO LOSE.



MEN ARE FOUND IN STRANGE WAYS --- AND THERE'S NO HARM IN HOPING.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## THE WOMAN'S PAGE

# A London Letter

BY OLIVE DUN

London, Nov. 20.

The outstanding event (in two senses of the word) of the Rumanian Royal visit was the crinoline dress worn by the Queen at the State banquet at Buckingham Palace. Made of silver-grey satin, decorated with bands of Valenciennes lace, it was embroidered with glittering paillettes and diamanté. (I have copied that, of course from a society columnist, not on this occasion being in the party myself.) It is said to have measured 15 yards round the hem. With tiara, necklace and bracelets of large diamonds, her Majesty must indeed have been a brilliant figure. She wore another crinoline at the return banquet given by King Carol at the Rumanian Legation. The results are quickly seen in the snapshots since published of ladies of rank and fashion also appearing in crinolines.

In Paris, one gathers, the Queen's lead has been followed with the deepest interest. Articles are published to explain that the modern crinolines are constructed on a new design enabling them to fit without disarray or damage into motor cars. But one would think that depends on the size of the car. It is strongly emphasized that the crinoline demands a special gait in walking. As Lewis Carroll nearly wrote:

In it you must contrive to glide,
And gently sway from side to side;
Her Majesty can do it.

And, as the Parisian papers gallantly say, the Queen understands exactly how to excute the short shuffling footsteps which make the crinoline undulate in the correct billowy way. But this is only to emphasize once again, as with Gainsborough hats or Edwardian hairdressing, that if you revive old modes, you must cultivate old manners. Fashion must give way to deportment.

* * *

### *Mannequins' Miseries*

And in this connection there will be a good deal of sympathy for the mannequins (there are said to be no fewer than 6,000 of them) who are banding together to form a union in order to compel the dress shops to pay them better. The average wages of a mannequin in full work are said to be under £3 a week, and on that she has to live, to dress herself well and to supply herself with cosmetics and occasional taxis. Some of the leading mannequins say that the expenses of their job cost them fully £7 a week, without counting board and lodging. One girl is quoted as saying that in a tour she is about to make of the north of England she will have to display 500 dresses in three weeks. That means about 17 changes of frocks a day.

These facts came out at a preliminary meeting of the proposed union. The demands as framed at present are a minimum wage for the regulars of £3 a week, £1.1s a day for free lances, who are seldom much employed except in the "rush" seasons of special shows, taxis home after late fashion displays and compensation for time lost in going to and from displays. Whether the dressmakers will concede so much seems to depend on how far they can get their bills paid, and with everyone saying that income tax next year is going up to 7s. 6d., it would seem impossible to pay ready money and make both ends meet. But the thought of 6,000 determined young ladies on strike is enough to make the hardest employer look thoughtful. It recalls the old suffragette days.

* * *

### *Lighter Living*

One other feature of the Rumanian Royal visit may also be noted, namely the lightness of the menus at both the banquets I have mentioned. Even at the Guildhall luncheon given by the Lord Mayor, although the traditional baron of beef was served, the only other really solid dish was a preparation of pheasants. At Buckingham Palace there were chicken and partridges as well as roast lamb, but the dinner only ran to seven courses. At the Rumanian Legation there was caviar specially brought by aeroplane from Bucharest, but the heaviest courses were only ham and quails. The disappearance of the colossal stoking of bygone days is a commonplace. But now a new tendency is visible among the young, namely to prefer simple things to made and many-sauced dishes. A helping from a generous cold sirloin with a tankard of ale and a bit of cheese to follow brings that glistening look in the eye which betokens real enjoyment far more readily than timbales and chaudfroids. It sounds very Dickensian: one thinks of the Cheerybles Brothers and old Fezziwig. But the explanation is more prosaic than that. In our pillbox flats and kitchenettes, large joints are simply impossible; kickshaws are the only things for which there is room; the plain food of the ample kitchen range order becomes the real treat.

* * *

### *Craftswomen*

The handicraft exhibition of the National Federation of Women's Institutes has been attracting many visitors this week including the Queen and Queen Mary. Here may be seen wonderful specimens of needlework, including many difficult old stitches which were becoming a lost art until the Women's Institutes revived them. There are many of the loveliest quilts imaginable, some of them deftly and beautifully designed patchwork made of odds and ends left over from large pieces of stuff, rugs of many colours and designs, admirably made gloves, and of course every sort of thing that knitwork can produce. There is also a "thrift section," excellent chairs made from old casks, aprons for field and farmyard work made from discarded sacks, and very serviceable children's shoes built up from odd scraps of leather and cloth. If the Women's Institutes can teach the English housewife not to be wasteful, her greatest reproach will be taken away.

Apart from the usual type of work associated with women, some of the exhibitors show remarkable skill as carpenters and even mechanics. One of them has made a mahogany workbox as a present for Princess Elizabeth, which would do credit to the best craftsmen in London, and another has built a little theatre, showing a children's party in Victorian days: all the little dolls dance about automatically to the tune of "You should see me dance the Polka" and the furniture and pictures are exact copies of Victorian originals.

* * *

### *Better Housing*

Side by side with the Women's Institutes' display, the Building Centre in Bond Street has been showing some of the furniture used in the workmen's model flats at the Glasgow Exhibition—furniture, that is, expressly designed for working-class people. It is the sort of stuff which many householders in London who would not rank themselves in the working classes should be glad to possess—very plain in design but of excellent well-seasoned woods, oak, ash and, for parlour pieces, mahogany, solidly built. The prices seemed rather high for the class of buyer for whom they are meant, but I am told that the Scottish working classes show their true sense of economy by insisting, whenever humanly possible to do so, on having furniture that will last a lifetime. There are few extravagances so silly as buying cheap furniture, as many a young couple are finding to their cost, having been tempted to acquire, at what seemed very low prices, showy-looking sets which fall to pieces long before the instalment money is paid off.

Furniture, and housing, remind one that early in December we shall be observing the centenary of that splendid woman pioneer, Octavia Hill. To the modern generation she is little more than a name, if even to many of them so much as that. Yet no one has done more for the reform of houses of the working class The daughter of a Wisbech banker, she was one of the first to realize that bad housing breeds bad habits. In 1864 she borrowed money from Ruskin and with it bought three houses in which she set out to demonstrate that working-class people can be housed, not only wholesomely, but even to a modest extent artistically, at rents which will pay a fair return. In the exhibition of Octavia Hill relics, which is being arranged for her centenary, nothing is more interesting than her reports on the hideous conditions under which vast masses of the lower orders lived a century or less ago. You may see what those conditions were in such novels as "Sybil" and "Mary Barton."

The ideals for which Octavia Hill fought have been realized today in the splendid workmen's dwellings to be seen on Millbank, in St. Pancras and elsewhere. But the struggle against slums, ardently as it is pursued by many public bodies today, contains new difficulties, the chief of which is the reluctance of the inmates to go away from the neighbourhood of their work.

**Christmas Toys in Caledonian Market**

*Taken at the end of November, the photograph shows well-drilled Londoners shopping early for Christmas in Caledonian Market. Each year this famous North London pedlars' market holds a sale of Christmas toys which draws crowds of people.*

**"Post Munich" Styles for Young Parisians**

*A sailor hat, bearing the name of Chamberlain in gold letters, makes its appearance in France.*

---

Spread a damp cloth over the plate rack on the gas stove. This prevents the smell of cooking from affecting the rest of the house.

* * *

Tissue paper will successfully remove rain spots from satin. Crush the paper into a soft ball and rub over the spotted parts in a circular movement.

# A Mayfair Notebook

BY PHILINE

Most of us would describe the Buckingham Palace banquet given recently by the King and Queen in honour of King Carol of Rumania as a very sumptuous meal indeed. But it was simple compared to the Royal banquets of pre-war days. The menu was relatively small and no heavy dishes were included in the eight courses, each of which was named after the host, hostess or guests of honour.

Only one soup was served in place of the three often consumed in the old days. The one meat course was homely enough and with English lamb, and cold chicken and game also served, the Queen had planned refreshing salads.

Iced soufflé Carol, brought to the horseshoe banqueting table in white china soufflé cases and covered with sugar ribbons in the Rumanian colours, was the most elaborate of all the dishes. This and the twenty-five flower baskets entirely made of sugar were masterpieces from the Royal kitchens. Some were of gilded sugar, others of silver, and all were decorated with sugar lilies and roses and tied with sugar red, blue and yellow ribbons.

* * *

### *Palace Breakfasts*

No doubt King Carol inherits from his grandfather, the Duke of Edinburgh and his great-grandmother, Queen Victoria, his love of many things English. He reads English books, speaks the English language without an accent, employs an English butler in his Bucharest home and is fond of English cooking.

So it is to be hoped that during his short stay with the King and Queen, he sampled a typical Buckingham Palace breakfast, the homely meal enjoyed in pleasantly homely surroundings with which our Royal family start their busy day.

Breakfast is served in the Chinese sitting-room where the blackwood table is usually laid with cream Irish linen and pastel china. The King takes orange juice and then a savoury, while the Queen starts the meal with a cereal and milk or porridge. There is tea, toast and fruit to follow and usually an excellent choice of such preserves as orange and quince marmalade and heather honey.

* * *

### *The Queen's Crinoline*

When the Queen chose a crinoline for the Palace banquet, she set a seal upon a delightful evening fashion which has rapidly increased in popularity during the past months. That hers was a real crinoline and no mere full-skirted compromise, such as many a more timid follower of the mode would adopt, was shown in the fifteen yards measurement around the hemline.

The true Victorian crinoline was whaleboned, as was the Queen's, though the modern whaleboning is supple and allows skirts to swing aside instead of being crushed in narrow doorways and crowded rooms. Hundreds of pearls, specially tinted to the tone of the silver-grey satin, formed large plaques on the skirts and also embroidered the pointed corsage which had an off-the-shoulder neckline, finished with soft mauve satin and tiny sleeves.

* * *

### *The Lace Revival*

Among many Victorian dress revivals is the black lace party frock. Lace has sterling virtues: it does not date; it does not crush; it forms a splendid background for flowers and jewels and it always looks crisp and smart. Trim a day-into-evening frock of black lace with three narrow bands of velvet on the bottom of its short, full skirt; encircle the waist with three velvet ribbons tied in small bows in front; place a neat velvet bow at the neck and three more on short, full sleeves. One would be proud to take such a frock anywhere.

Coloured printed cotton laces are in the news. Among them is a charming design of orange-centred white marguerites on a green ground, a dainty forget-me-not and dark blue on filet, and a striking pattern made up of pink and green zigzag stripes on a fine black net mesh. Printed synthetic linen laces, art silk delustre and silk flounce laces, and angel-skin all-over laces are other season's novelties.

Trimming laces are no less interesting. These are for lingerie and dress accessories. Women are once again carrying little lace-eded handkerchiefs and inserting fine lace into nightgown bodices and petticoat slips.

* * *

### *At Gary Cooper's Reception*

Every Hollywood film star who comes to London must suffer or enjoy, according to tastes, his or her reception, when journalists, film executives and "fans" gather around the star and ask a thousand and one questions, few of which are pertinent. Gary Cooper, fortunately for him, had his wife sitting quietly beside him at his reception at Claridges a few days ago. She was able to shoulder some of the burden of questions.

"Rocky," as Mrs. Gary Cooper is known to her intimate friends, is a champion swimmer and diver as well as a first-class shot. She was just about to start on a film career when she gave it up to become "Mrs. Deeds." And now for her views on English men and women. "Englishmen," she thinks, "are still the best dressed." She likes "their cool, calm way of going about. Their voices, too, are nice."

Considering the ladies, "Rocky," her lovely mink coat cast over a chair and her pill-box hat on top of it, said: "Tell them that their complexions are 'the tops,' and they certainly know how to wear their clothes. Oh, and another thing I noticed was their ankles—very good." All of which should be reassuring to England's womenfolk.

* * *

### *Rush Flower Baskets*

The summer vogue for rush and wicker flower baskets in the garden room has become an all-the-year round vogue. The flower basket takes its honoured place beside the pottery or glass vase in dining room, sitting room and bedroom and brings a cheerful summery atmosphere into the house on wintry days. Pliable green rushes are woven into baskets of various oval, oblong and round shapes. They are zinc-lined to make them water-tight.

Flowers of all descriptions look exceedingly well in these original holders and window-boxes to match are contrived by arranging several oblong baskets in a line on a windowsill. Interesting wicket baskets are made with handles. Inside, to hold the flowers and water, are roughly hewn pieces of wood. These vessels look best arranged very simply with a few well-chosen flowers.

---

## Chestnuts for the Christmas Table

Chestnuts are in; in every Chinese provision store there is a man at work shovelling them around in their roasting medium of tiny black cinders in a cauldron over a charcoal fire. They are traditionally Christmas fare and here are some recipes for using them:

**Chestnut Soup**

Prepare some chestnuts and put in a saucepan with freshly shredded celery. Cover with light stock and simmer until the nuts are tender. Then sieve and thin the purée with previously boiled milk. Reheat. Season with pepper and salt, mace and cayenne. Stir in a small piece of butter just before serving. Three-quarters of a pound of chestnuts are required for each quart of soup.

**Stewed Chestnuts**

Peel some fine, sound chestnuts, flour and brown them in butter. Then put them in a stewpan, just covering them with veal stock to which add a few thin strips of fresh lemon rind. A slice of lean ham and two bay leaves laid under the chestnuts (but not served with them) improve the flavour. Stew them very gently for nearly an hour, adding a flavouring of salt and cayenne. They must be tender but unbroken.

**Italian Chestnut Dessert**

Take boiled and peeled chestnuts—two at a time. Press them together so that a couple make one. Boil them gently in syrup for a few minutes. Then place them in a tin. Sprinkle with sugar and brown them in the oven. Squeeze over a little lemon. Serve cold with whipped cream.

**Chestnuts and Cream**

Simmer gently a pound of boiled and peeled chestnuts in a little milk. Add a vanilla pod and sufficient sugar. Then sieve coarsely. Place in a glass dish alternate layers of this mixture and stiffly whipped cream. Hand with it compôte of orange flavoured with Maraschino.

**Marrons Flambes**

Marrons flambés are merely roasted and peeled chestnuts laid in a warm sugar-sprinkled dish over which a generous amount of rum or brandy has been poured. A match is set to it when it reaches the table. And very delicious they are.

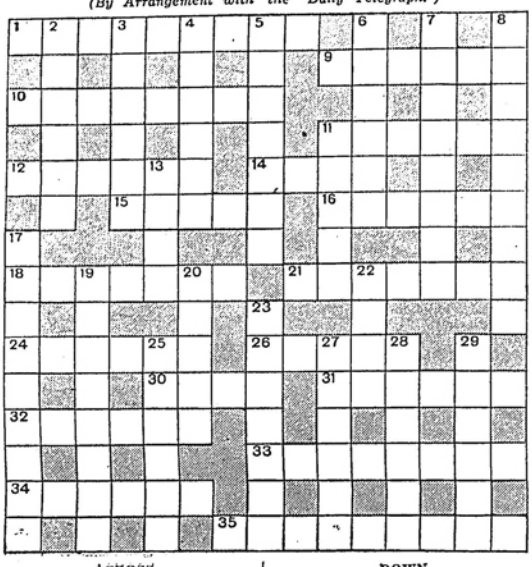
**Portuguese Chestnut Preserve**

Lay a pound of peeled and boiled chestnuts in a syrup of a pound of sugar and just enough water with a squeeze of lemon. Stew in a closed pan until tender. Cool. Put into glass jars, flavour with Maraschino and close carefully with a screw top.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

## LONDON CROSS-WORD PUZZLES

*(By Arrangement with the "Daily Telegraph.")*

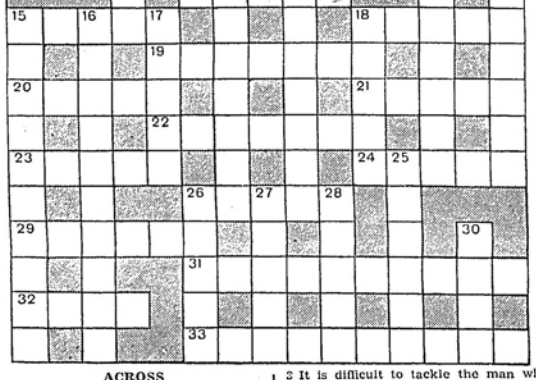


### ACROSS

1 The representative is not necessarily the assistant of a wheelwright
9 "Scorning the base ——s by which he did ascend" ("Julius Caesar")
10 Of more than one colour
11 Insect (sounds as if someone is insisting on its identity)
12 A sleep may be made to be agreeable
14 An old tip this
15 One form of verse
16 Lower
18 A bad-hearted drink this
21 Listen to half the score and cheer
24 This skilled worker could always buy a drink apparently
26 It is a shame if this part of a horse's harness is misplaced
30 This tree is used by builders
31 A sovereign remedy
32 Kind of fowl
33 No sweet-tempered person this
34 This sort of messenger is probably a brave man
35 Epithet for the service that may be returned (if possible?)

### DOWN

2 This is associated with fine linen
3 One of the U.S.A.
4 The household utensil to save others perhaps
5 Town that suggests the call of a Cockney footpad
6 Treat in more than royal fashion
7 Suitable note for some ultramodern music
8 Raw material for the press suggests a fresh effort to win the race
11 Monday's dish perhaps
13 This comes from all quarters of the compass
17 Not a deer minus most of its coat but a source of ammonia
19 Far from pessimistic
20 Town of Italy
22 Early O.T. character
23 Part of London or China
25 In high spirits
27 Domestic
28 Bad description of 18 across obviously
29 Cloud-formation



### ACROSS

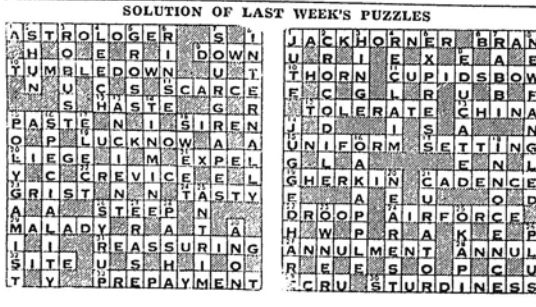
1 How engaged couples play bridge? (three words)
9 Immediately
10 One of the most painful organs
11 Part of your car
12 This might help an osprey to catch hold of a perch
15 This field is not found in Ireland
18 Drops of water
19 This is outside the bar (two words)
20 A last word
21 Work of art that arrived with nothing
22 The strong take it from the weak
23 A nautical holdup?
24 Burdened
26 Devastation reverses it
29 What the spoiled child wants (two words)
31 Damaged again and hindered
32 Formerly from 8 down
33 That smart frock? (two words)

### DOWN

2 A cricketing item that runs in South England
3 It is difficult to tackle the man who has this
4 This in gales will often make musical notes
5 One may be made to look a fool at the very start of it
6 The senior to act on foreign currency
7 From the sublime to the ridiculous
8 What is this is no mystery, but might cause the Dodo unrest
13 There's one fellow in this land anyhow
14 It isn't clear, but the final remedy is
15 Part of a dinner and part of a car make a harmless but annoying weapon
16 From sainted sin emerges something often to be observed in feminine dress
17 You are always at the beginning of it—and yet mortal!
18 The jeweller makes it, that's flat!
25 A very fair exception
26 A sweet drink
27 Was a protection in war, once
28 A skilful game
30 This is obviously where it says

**The solutions will be published next week**

### SOLUTION OF LAST WEEK'S PUZZLES



## PASSENGER LISTS

### INWARD

**N.D.L. ss. Scharnhorst**

From Japan. — December 13. — Mr. Fred. V. Wagner, Mr. Gilmore Bradfort, Mrs. G. Bradfort, Mr. Lewis H. Putney, Mrs. Florence Putney, Mr. Harold Irwine, Mrs. Olive Irwine, Mrs. Joan Robertson, Mr. Yasujiro Ito, Mr. Kihti Kayama, Mr. Tomotero Nakajama, Mrs. Hedwig Burdewick, Mr. Carlo Andreoli, Mr. William Greenhalgh, Mr. Thomas A. Cooper, Mrs. Wanda Klun, Mr. Dayaran Mahtani, Mr. Jagopal Naraindas, Mr. Dev. Raizada Dharam, Mrs. Elise Oberg, and Mrs. Reba C. Gillis.

**B.F. ss. Aeneas**

From Birkenhead.—Dec. 13.—Mr. N. Denison, Mrs. and Miss Ewing, Mr. and Mrs. B. Hemingway, Capt. P. H. G. James, Mr. and Mrs. and Mstr. Lowe, Capt. and Mrs. Mackenzie, Mr. and Mrs. C. H. Mellor, Miss and Mstr. Mellor, Lt. Comdr. and Mrs. Robertson-Aikman, Mr. and Mrs. F. Spray, Mr. and Mrs. Thompson, Miss and Mstr. Thompson.

From Singapore:—Mr. A. A. Ewing.

### OUTWARD

**N.D.L. ss. Scharnhorst**

For Hongkong and Europe.—Dec. 13.—Mr. and Mrs. R. E. Baskerville, Dr. and Mrs. Berrer, Mrs. L. L. Bunje, Mrs. Joan Edwards, Mr. R. Ganz, Mr. and Mrs. A. W. Gibson, Mr. A. T. Gillespie, Mr. Kannson Gee, Mr. Th. Hohn, Mr. Hermann Huber, Mr. G. Haynes, Mrs. L. W. Irle, Mr. G. Kowndoerfer, Mrs. K. Lam, Mrs. R. N. Larchar, Mrs. W. Lutowicz, Mr. and Mrs. E. Markworth, Mr. J. F. McGregor, Mr. F. Miller, Mr. R. Picozzi, Mrs. T. A. Prokopleff, Miss Thelma E. Reinhardt, Mr. V. Reinhardt, Mr. G. Samson, Mrs. L. M. da Silva, Mr. H. Theophile, Mr. J. W. Bitner, Mr. J. A. Cashman, Mr. H. K. Charls, Mrs. B. Eider, Pater E. Feifel, Mr. Ernest Fontana, Mr. Bob Gallimore, Mr. Dick Gallimore, Mr. S. Gordeef, Mr. W. Haude, Prof. Georg Hilgers, Mr. R. T. Kirl, Bruder B. H. Krahe, Miss Catherine Macdonald, Miss M. Malone, Miss Moira Malone, Mr. G. H. Moss, Mrs. N. Oswin, Mrs. C. Reifenrath, Mrs. L. G. Richards, Father C. A. Ruys, Mr. Kohji Sasaki, Mrs. A. C. J. Sabalot, Mrs. N. T. Saunders, Mr. G. Schwuchow, Mr. G. Schwuchow, Mrs. L. Schwuchow, Miss E. M. Seidel, Rev. Father G. Seys, Mr. W. A. Shann, Mr. F. C. Sing, Mrs. W. A. Sissler, Mr. David Tappan, Miss Ruth Tappan, Miss Jean Thomas, Miss Carol Thomson, Miss Avis Thomson, Miss Priscilla Thomson, Mrs. B. Tieslau, Mr. Wilhelm Trendel, Mr. D. W. Vaswani, Mrs. G. M. Weston, Mrs. F. Williams.

**C.P. ss. Empress of Russia**

For Hongkong. — December 13. — Mr. Geo. and Mrs. Lynott, Mr. S. Clark, Brig-Gen. E. B. Macnaghten, and Mrs. Macnaghten, Mr. B. F. Colson, Mr. H. E. Westerdarp, Mrs. M. C. Baldwin, Mr. F. J. Robinson, Mrs. and Master Robinson, Mr. N. E. A. Moller, Mr. R. B. Moller, Mr. M. A. Constantimoff, Mr. H. A. Reshetoff, Mr. H. S. Dunn, Mr. J. F. Halle, Mr. A. Stranger, Mr. B. C. Lee.

For Manila.—Mr. J. Huck, Miss P. Larco, Mr. Salsamendi Lasheras, Mr. J. Davies, Mr. T. T. Kolott, Mrs. A. R. Weibel, Mrs. A. R. Marston.

**B.&S. ss. Tsinan**

For Hongkong—December 15.—Mrs. J. D. F. Langen, Mrs. A. Fratt, Mr. T. A. B. Harnden, Miss M. Sorrell, Mr. C. K. Chang, Miss R. Sun.

**B.&S. ss. Hunan**

For Hongkong. — December 15. — Miss C. Featherstone, Miss B. Taylor, Mrs. E. W. Smith, Miss G. Smith, Miss M. Grays, Miss J. Coghill, Mstr. J. Lyney, Mstr. D. Illa, Mstr. S. Coghill, Mstr. D. Berg, Mstr. I. Kerr, Mstr. K. Kerr, Mrs. E. O. Usounoff, Mr. Chan Yau-shai, Mr. M. C. Lai, Mr. Lu Liokkian.

---

The following passengers left Liverpool and other ports for Shanghai by the Sarpedon on November 26: Group-Captain R. S. Aitken, Mrs. Aitken, Mr. R. Braker-Smith, Mrs. Gill, Miss D. B. Gill, Mrs. W. R. Lambert, Master J. T. Lambert, Master G. W. Lambert, Captain W. L. Thomas and Mrs. Thomas.

# RX and REPAIRS

Unexcelled Facilities of our own Laboratory, finest equipped in China Largest Stocks of Quality Imported Optical Goods, ensures Unsurpassed MAIL-ORDER SERVICE.

Careful, Conscientious Attention Absolutely Accurate Workmanship. Supervision of the only Foreign REGISTERED OPTOMETRIST in China, and two decades Experience with Hospital Rx work, enable us to GUARANTEE SATISFACTION.

Address:—"O.I.C.—SHANGHAI"

OPTOMETRISTS

OCULISTS INSTITUTE CO., LTD.

250 NANKING ROAD

Largest, Most Modern and Best-equipped in the Orient


## SICCAWEI METEOROLOGICAL REPORT

| Day of month | Barometer 9 A. M. | Barometer Att'ed Therm | Wind Direction a.m. | Wind (1-12) | Hygrometer 9 a.m. Dry | Hygrometer 9 a.m. Wet | Thermometer in Shade Max. | Thermometer in Shade Min. | Weather Conditions |
|---|---|---|---|---|---|---|---|---|---|
| Dec. 9 | 30.53 | 70.7 | N N E | 3 | 51.5 | 50.2 | 60.1 | 50.0 | B. c. |
| " 10 | 30.58 | 69.0 | N N E | 2 | 48.6 | 44.1 | 55.4 | 45.9 | O. |
| " 11 | 30.54 | 69.4 | N N E | 1 | 53.2 | 49.1 | 57.0 | 45.3 | B. c. |
| " 12 | 30.40 | 68.7 | E | 2 | 54.1 | 51.6 | 57.7 | 48.1 | O. |
| " 13 | 30.37 | 70.3 | W N W | 2 | 46.9 | 46.9 | — | — | R. |
| " 14 | 30.48 | 67.5 | N N E | 2 | 45.7 | 41.7 | 54.7 | 43.7 | O. |
| " 15 | 30.40 | 68.5 | N E | 2 | 51.6 | 49.1 | 59.4 | 43.7 | O. |

EXPLANATION

B—bule sky F—fog H—hail M—misty (hazy) R—rain T—thunder
C—clouds D—drizzle L—lightning O—overcast (dull) S—snow Z—rain

## SHANGHAI THERMOMETER READINGS FOR THE WEEK

In the open air in a shaded situation in the Foreign Settlement

| Date | Minimum Temperature 1938 | Minimum Temperature 1937 | Maximum Temperature 1938 | Maximum Temperature 1937 | Rainfall 1938 | Rainfall 1937 |
|---|---|---|---|---|---|---|
| Dec. 9 | 50.0F. | 38.5F. | 63.5F. | 60.0F. | Nil | Nil |
| " 10 | 45.0 | 42.0 | 53.0 | 61.0 | Nil | Nil |
| " 11 | 46.0 | 39.0 | 55.0 | 58.0 | Nil | Nil |
| " 12 | 48.5 | 43.0 | 56.0 | 63.0 | 0.32-in. | Nil |
| " 13 | 44.5 | 46.0 | 55.5 | 64.0 | 1.06 | Nil |
| " 14 | 42.5 | 49.0 | 51.0 | 63.5 | 0.02 | Nil |
| " 15 | 43.5 | 41.0 | 57.0 | 58.0 | Nil | Nil |

## VESSELS DUE AT FUTURE DATES

Ships are shown under the port at which last reported. The first date against a ship's name is the date of departure (or when the ship has not left the probable date of departure) from that port. The second date shows when the vessel is due at Shanghai. Vessels sailing from all ports of the world are given.

### EUROPE AND STRAITS

**From OSLO**

| | | |
|---|---|---|
| Triton | 19/10 | 1/1 |
| Tarn | 19/11 | 12/1 |
| Talabot | 17/12 | 8/2 |

**From GOTHENBURG**

| | | |
|---|---|---|
| Talabot | 20/12 | 8/2 |

**From GDYNIA**

| | | |
|---|---|---|
| Titan | 15/11 | 6/1 |
| Eumaeus | 13/12 | 3/2 |

**From GLASGOW**

| | | |
|---|---|---|
| Agamemnon | 5/11 | 21/12 |
| Sarpedon | 19/11 | 4/1 |
| Deucalion | 3/12 | 19/1 |
| Patroclus | 17/12 | 1/2 |

**From LIVERPOOL**

| | | |
|---|---|---|
| Helenus | 5/11 | 25/12 |
| Agamemnon | 12/11 | 21/12 |
| Menelaus | 19/11 | 3/1 |
| Sarpedon | 26/11 | 4/1 |
| Lycaon | 3/12 | 15/1 |
| Deucalion | 10/12 | 19/1 |
| Perseus | 17/12 | 27/1 |
| Patroclus | 24/12 | 1/2 |

**From LONDON**

| | | |
|---|---|---|
| Carthage | 18/11 | 25/12 |
| Bhutan | 12/11 | 27/12 |
| Behar | 26/11 | 5/1 |
| Rajputana | 2/12 | 9/1 |
| Soudan | 10/12 | 23/1 |
| Ranchi | 16/12 | 23/1 |
| Yasukuni M. | 23/12 | 27/1 |

**From HAMBURG**

| | | |
|---|---|---|
| Potsdam | 26/11 | 30/12 |

**From HAMBURG**

| | | |
|---|---|---|
| Triton | 13/11 | 1/1 |
| Lippe | 12/11 | 4/1 |
| Panama | 15/11 | 7/1 |
| Zuiderkerk | 21/11 | 14/1 |
| Elbe | 10/12 | 16/1 |
| Gneisenau | 24/12 | 27/1 |
| Eumaeus | 17/12 | 3/2 |

**From ROTTERDAM**

| | | |
|---|---|---|
| Sauerland | 11/11 | 22/12 |
| Preussen | 25/11 | 9/1 |
| Zuiderkerk | 11/11 | 14/1 |
| Leverkusen | 8/12 | 18/1 |
| Tjikembang | 29/12 | 11/2 |

**From ANTWERP**

| | | |
|---|---|---|
| Zuiderkerk | 21/11 | 14/1 |
| Tjikembang | 19/12 | 11/2 |

**From GIBRALTAR**

| | | |
|---|---|---|
| Ranchi | 20/12 | 23/1 |

**From MARSEILLES**

| | | |
|---|---|---|
| J. Laborde | 25/11 | 23/12 |
| Athos II | 9/12 | 6/1 |
| F. Roussel | 23/12 | 20/1 |

**From GENOA**

| | | |
|---|---|---|
| Zuiderkerk | 11/12 | 14/1 |
| Tjikembang | 6/1 | 11/2 |

**From TRIESTE**

| | | |
|---|---|---|
| Himalaya | 20/11 | 9/1 |

**From PORT SAID**

| | | |
|---|---|---|
| Sarpedon | 8/12 | 4/1 |
| Soudan | 21/12 | 23/1 |

**From SUEZ**

| | | |
|---|---|---|
| Titan | 6/12 | 6/1 |
| Preussen | 8/12 | 9/1 |

**From PORT SUDAN**

| | | |
|---|---|---|
| Tarn | 16/12 | 12/1 |

**From ADEN**

| | | |
|---|---|---|
| C. Rosso | 14/12 | 31/12 |
| Rajputana | 19/12 | 9/1 |

**From DJIBOUTI**

| | | |
|---|---|---|
| Athos II | 18/12 | 6/1 |

**From COLOMBO**

| | | |
|---|---|---|
| Potsdam | 19/12 | 30/12 |
| Triton | 8/12 | 1/1 |
| Sarpedon | 19/12 | 4/1 |
| Behar | 19/12 | 5/1 |

**From KARACHI**

| | | |
|---|---|---|
| Sumatra | 15/12 | 11/1 |

**From PENANG**

| | | |
|---|---|---|
| Lippe | 20/12 | 7/1 |

**From SINGAPORE**

| | | |
|---|---|---|
| Boissevain | 18/12 | 25/12 |
| Carthage | 17/12 | 25/12 |
| Bhutan | 18/12 | 27/12 |

**From SOERABAIA**

| | | |
|---|---|---|
| Tjisalak | 19/11 | 5/12 |

**From MANILA**

| | | |
|---|---|---|
| Emp. Russia | 19/12 | 25/12 |

### AMERICA AND JAPAN

**From NEW YORK**

| | | |
|---|---|---|
| Peter Maersk | 10/11 | 26/12 |
| Silveryew | 23/11 | 8/1 |
| Gert. Maersk | 23/11 | 12/1 |
| C. Florence | 19/11 | 15/1 |
| Eskbank | 7/12 | 24/1 |
| Grete Maersk | 10/12 | 25/1 |
| C. Bedford | 17/12 | 14/2 |

**From VANCOUVER**

| | | |
|---|---|---|
| Oakbank | — | 10/1 |

**From SAN FRANCISCO**

| | | |
|---|---|---|
| Taybank | 30/11 | 27/12 |

**From SAN FRANCISCO**

| | | |
|---|---|---|
| Silveryew | 10/12 | 8/1 |

**From LOS ANGELES**

| | | |
|---|---|---|
| Bidevind | 9/11 | 2/1 |

**From OTARU**

| | | |
|---|---|---|
| Bangalore | 13/12 | 26/12 |

**From YOKOHAMA**

| | | |
|---|---|---|
| Menestheus | 16/12 | 23/12 |
| Terukuni M. | 18/12 | 26/12 |

**From NAGOYA**

| | | |
|---|---|---|
| Bangalore | 19/12 | 26/12 |

**From OSAKA**

| | | |
|---|---|---|
| Terukuni M. | 21/12 | 26/12 |

**From KOBE**

| | | |
|---|---|---|
| Taiyo M. | 21/12 | 23/12 |
| Menestheus | 20/12 | 23/12 |
| Sharghai M. | 28/12 | 30/12 |

**From MIIKE**

| | | |
|---|---|---|
| Serooskerk | 2/1 | 5/1 |

**From NAGASAKI**

| | | |
|---|---|---|
| Nagasaki M. | 21/12 | 22/12 |
| Nagasaki M. | 26/12 | 27/12 |

### AFRICA AND AUSTRALIA

**From CAPE TOWN**

| | | |
|---|---|---|
| Boissevain | 17/11 | 25/12 |

**From LOUR. MARQUES**

| | | |
|---|---|---|
| Nolisement | — | 5/1 |
| Tegelberg | 8/12 | 22/1 |
| Harmattan | — | 7/2 |

**From DURBAN**

| | | |
|---|---|---|
| Tegelberg | 20/12 | 22/1 |

**From MAHE**

| | | |
|---|---|---|
| Boissevain | 8/12 | 25/12 |

**From MELBOURNE**

| | | |
|---|---|---|
| Nellore | 3/12 | 9/1 |
| Tanda | 4/1 | 9/2 |

**From BRISBANE**

| | | |
|---|---|---|
| Nellore | 16/12 | 9/1 |

"Equal to a fine liqueur"

*Sole Agents:*

**Jardine, Matheson & Co., Ltd.**

**IMPORT DEPARTMENT**

27 The Bund Telephone 15290


*Printed and published at the office of the* NORTH-CHINA DAILY NEWS & HERALD, LD. *North-China Building, Shanghai, China.*

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.